THE FINANCIAL POST

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MORE CONFIDENCE IN THE FUTURE NOW IN EVIDENCE

Continued Strength in Industrial Stocks Evidence of This

ADJUSTMENTS MADE

Increased Output Due to Consumption of Surplus Stocks Rather Than Increased Buying Power

The forward movement in the security markets, which has been generally noted since the turn of the year and has been given a marked impetus recently, indicates a return of confidence in the industrial and business situation which is significant. It is difficult, because of speculative forces at work, to establish the direct connection between the advance in share values and the improvement in earnings which it is supposed to reflect. Because of speculation stock prices are usually above or below their intrinsic value, dependent upon whether the public is a buyer or a seller. The war boom took prices above their real value just as in the reaction they were obviously taken below that level. Now that there are indications that the corner has been turned and some industries are showing improvement in output there is an evident tendency to discount this improvement in earning capacity. In how far prices were depressed below their proper level and in how far the improvement real and anticipated in industrial conditions has been discounted are points for speculative deliberation.

More favorable reports as regards certain fundamental industries continue although this would seem to represent a resumption of trade buying after a period in which demand had been supplied from stocks on hand rather than increased consumption by the public. However, this only adds further emphasis to the argument that conditions all along have been better from the standpoint of actual consumption than from the standpoint of production, because of speculative over-stocking all along the line between the consumer and the producer of raw materials.

Benefits of Adjustment

The chief improvement is noted in industries where labor and other costs have been reduced to a basis of production in keeping with the reduced buying power of the public—employer and employee share in the benefits through the resumption of activities. The efficiency of labor has improved. There has also been an improvement in the industrial balance between one industry and another and between agricultural and financial elements; the same amount of grain or livestock will now more nearly buy the amount of clothing or farm equipment that it would in 1913, than it did a year ago. This is working in the direction of that economic balance between production and consumption, capital and labor and supply and demand which is necessary to stable and general prosperity for the great bulk of the people.

Keeping Stocks "Sweet"

While there is no general indication of a marked return of buying power—and does not seem likely to be until another crop has been harvested—there is undoubtedly a better buying sentiment with new confidence as to the future. Wise retailers are taking advantage of this situation and are continuing the policy of keeping their goods moving. Where there are still high-priced stocks these are being given special attention. Not only are they being marked at attractive figures, but buying is being encouraged by the new low-priced goods which can be offered on a very favorable basis by the merchants who have consistently followed the policy of attuning their prices to the buying ear. Continual introduction of new goods has the effect of "sweeting" the whole stock and keeping customers better satisfied.

The coal strike continues but there is little indication of a fuel shortage in the near future and the issue is not so pressing industrially as might have been expected. Great interest attaches to the outcome, however, in its bearing upon general wage levels, the hours of labor and fuel costs to the railroads, manufacturers and householders.

At the annual meeting of the Steel Company of Canada the incoming directors appointed H. G. Dalton, of the Picklands, Mather Company, of Cleveland, Ohio, one of the largest ore firms in America to fill the vacancy on the board left vacant by the death of Senator John Milne.

May Only Finance to Cover Year's Maturities

From Our Own Correspondent

OTTAWA.—There is a feeling in government circles now that the Minister of Finance will content himself with providing for bond issues to cover the $182,000,000 of maturing Victory Bonds this fall, and ask for no more than this. Some bond men are a little doubtful about investors in Canada absorbing the whole amount and the likelihood now is that it will be divided between Canada and the States.

A $6,000 HOUSE NOW COSTS $8,000 MORE TO BUILD

On This Scale Little Industrial Building in Prospect

While there is some improvement in industrial activities there is still little manufacturing or commercial enterprise. This is the situation as reflected in the Border Cities where plans for industrial building are still held up because of the high costs in which labor is such an important factor. Commissioner Sclanders of the Border Chamber of Commerce, reports better conditions as regards employment in the factories, but he argues that industrial costs will have to come down to encourage the erection of new plants by companies planning to establish in Canada.

Prior to the war and even in Western Canada where all material had to be hauled about two thousand miles, it was entirely possible to build a beautiful home for $6,000, including lot. My own Saskatoon home furnishes an excellent demonstration. I do not think that there is any better built home in these Border Cities.

However, to build a home today similar would cost not less than $14,000, and estimating the rental of such home at not less than 10 per cent., it would mean such rental would be $1,400 a year, or about $117 a month. Now, what man in an ordinary good position is justified in paying $117 rent per month? And yet, he cannot build a home that will decently accommodate himself and his small family at less than $14,000, so far as I have been able to ascertain.

In other words, the $6,000 home of 1914 and thereafter now costs $14,000, and what applies to homes applies to factories. Further, it is calculated that about 88 per cent. of the cost of a building is represented by labor; that is, by the labor entailed in getting out the lumber from the forests, milling it, transporting it and so forth; and the same with all the other raw materials. Consequently, the explanation of a $14,000 home, normally worth $6,000, is extortionate wages.

With large concerns, capital expenditures on building at its present price are exceedingly unpopular. If concerns desiring to establish in Canada can find suitable ready-made premises which they can lease in the meantime, we can very often induce them to come in. Otherwise, they are content to wait. They will not build today on the $14,000 basis, because they are certain that, in the near tomorrow, they will again approach the $6,000 basis. It is possible to intrude artificial obstacles in the pathway of immutable economic law—obstacles which will delay but cannot do more than merely delay.

Socialistic Schemes Have Collapsed in North Dakota

From Our Own Correspondent

WINNIPEG.—Governor Preus' of Minnesota at Winnipeg dealt with Mnnesota's experiences with socialism as propagated by the Non- Partizan Leaguers from the neighboring state of North Dakota. The governor recited the economic woes of North Dakota under radical regime; the creation and subsequent crash of state mills, state banking system, insurance and compensation schemes. With Premier Norris of Manitoba at his elbow the Minnesotan who has withstood the onslaught of socialism in his own state referred emphatically to the North Dakotan banking impasse and the failure there of the building loaning programme "None of these schemes have worked out in practice," he said, adding the note of warning "Let the government do nothing for the people that the people are capable of doing for themselves."

More British Factories Coming to Canada

Linking up of the Canadian Crocker-Wheeler Company and the English Electric Company of Great Britain to form a Canadian enterprise is recalled by the return of H. J. Daly, president of the Canadian Debentures Corporation from Great Britain. Mr. Daly has been a pioneer in bringing Canadian industrials and British industrial organizations together and it is understood that as a result of Mr. Daly's last trip to Britain at least three more British industrial concerns will establish plants in Canada.

CANADIAN CLAIMS AGAINST GERMAN PROPERTY SEIZED

Securities Held in Germany Nearly Twenty-two Millions

THE GERMAN CLAIMS

Total About Seven and a Half Millions—Canada Demanding Twenty-Three and a Half Million

From Our Political Correspondent

OTTAWA.—The Dominion Government has under consideration, it is understood, the very complicated question of the method that should be adopted in dealing with property of Germans seized in Canada during the war, of Canadian securities owned when war broke out by Germans in Germany, of claims of Canadian creditors against German firms, of claims of German creditors against Canadian firms, and finally of a number of claims that have been filed for "indirect war damages" due to submarines and other causes.

7,980 German Claims, $7,480,000

The figures that THE FINANCIAL POST is able to present here cover conditions up to date. The first is that of debts owing by Canadian "nationals" to Germans that are being dealt with by the Clearing House established by the two countries. The amount of the claims in this case was $7,480,378 from 7,980 claims. Of the total a little over $1,000,000 has been admitted with $481,000 partly admitted.

Of the real property in Canada enemy-owned the purchase price is given as $319,639 covering some fifteen properties. In some cases properties have been abandoned by the Custodian owing to the heavy taxes that had accumulated on them.

34,970 Shares of C. P. R. Sent Over

Under the Treaty the Germans were obligated to transfer to Canada all certificates for shares, bonds, debentures, securities, etc., within six months after the ratification of the Treaty. Germany, however, is heavily in default in this regard having handed over up to the present only 34,970 shares of C. P. R. out of a total of 141,794 shares, and $602,820 in share certificates which were vested in the Custodian. A number of C. P. R. shares, however, have been released for various reasons and there remain vested in the Canadian Custodian 47,794 shares and $201,800 in certificates which are still to be handed over to the Custodian. It is estimated that all shares and securities that are rightfully vested, with accrued interest and dividends, are worth $18,225,000.

In addition the "Alien Property Custodian" of the United States has $1,250,000 in securities which should be transferred to the Canadian Custodian, and the Public Trustee in England about $2,000,000 more. The total will amount to about $21,850,000. This with the other groups would represent about $24,000,000 available which Canada should receive from Germany under the Treaty.

Canadian Claims

There are three charges against this:

1. The amount payable to Canadian creditors by German debtors; 2. the amount claimed by Canadian Nationals for property sequestrated by war measures in Germany, and, 3. the cost of administering these properties. The claims made so far are:

1. Claims of Canadian creditors $8,725,085.

2. For sequestration of properties $5,089,345.

It is the opinion that when a final settlement is made the first claims will be greatly reduced and that

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New Duty Not Worrying Pulp Manufacturers

From Our Own Correspondent

MONTREAL.—The pulp manufacturers of Canada are not worrying much over the new 5 per cent. duty on imports of chemical pulp into the United States. They do not believe the U. S. publishers will allow it to go through, as this, the latter feel, would increase the cost to newsprint mills in the States of the pulp. Ground wood pulp is allowed in free as the States cannot produce enough to supply its own mills. During the months of January and February of this year the United States imported from Canada 20,736 toss of bleached sulphite pulp out of 21,185 exported by Canada in all; and 17,094 of unbleached out of Canada's total exports of 21,265 tons.

Who Gets the "Children's" Money?

The London Daily Express makes serious charges of grafting in the handling of "Save the Children" fund in London, England. It alleges, for example, that three Russians obtained the handling of 59 per cent. of "Save the Children" orders and turned this sum, which was enormous, to firms in which they were interested; that a certain lawyer receives a commission on all goods purchased as well as a commission on all gifts in kind.

These are very serious allegations and it seems to us that the Prime Minister of Canada, the Conservative leader, the Progressive leader, the Chief Justice of the Supreme Court and other public men who allow their names to be used should withdraw them until such time as these charges are investigated.

Public Ownership on Trial

There is nothing particularly new in the policy of the King government regarding the Canadian railway problem as enunciated by Hon. W. C. Kennedy; in fact the proposals avoid contentious ground by proceeding along the lines laid down by the previous administration in the establishment of a single board of directors for unified control and co-ordinated operation. At the present time the roads are operated by a board which technically has control of the Canadian Northern only and is operating other lines at the request of the government.

Mr. Kennedy has given the public a well considered and remarkably clear and concise statement of the situation which Canada now faces. Some betterment has been shown in operating finances as was to be expected with lower wage and material costs and such improvements as regards working efficiency which the temporary organization aided by Sir Joseph Flavalle has been able to effect. Mr. Kennedy now promises that under the legislation already passed the permanent board to administer all the roads will be appointed—and he promises that it will be free from political influences.

The railway question in Canada is not a political one; it is a national one. The King government is following along the lines laid down by the Meighen government. This should materially reduce the number of points at which there might be political friction. It is to be hoped that Mr. Meighen and Mr. Crerar will put the national interest ahead of party interest and endeavor to assist the government in maintaining its promise to keep the railway administration free of political interference and annoyance.

Canada's railway dilemma has not been brought about through public ownership. But it is the result of government interference. The Grand Trunk Pacific and many branch lines throughout Western Canada, backed by provincial guarantees, were political rather than business ventures. The government acted as banker for enterprises which failed because of war conditions and the optimistic ambitions of would-be empire builders and politicians. These ventures failed and the government has the properties on its hands. It cannot sell them. It cannot discontinue to operate them. The only thing to do is to keep them going—to reduce expenses wherever possible and increase revenue to the greatest possible extent by rendering efficient service.

The plan which the Meighen government laid down and which the King government now proposes to implement may not be the best solution of a very difficult problem but it can be made to greatly improve the situation and reduce the burden on the Canadian people. BUT THE EXTENT OF ITS SUCCESS WILL DEPEND UPON JUST HOW FAR THE BOARD IS PERMITTED TO INTRODUCE RIGID METHODS OF ECONOMY AND EFFICIENCY. In that respect the matter is largely in the hands not only of the government but of the other political parties—and the present government like its predecessors has already shown weaknesses in this connection which give ground for skepticism.

Public ownership cannot be held responsible for the transportation problem which the Canadian government has on its hands but unless the present administration faces the issue with courage and determination and has the co-operation of the opposition in bringing about real efficiency in the co-ordination and operation of the roads then public ownership will probably have to accept the responsibility for a still more serious situation in the future.

Public opinion demands that public ownership be given a fair trail. Let it be so. But all experience with government activities in the field of big business leads to the conclusion that the result will be such that eventually the public will demand some other solution.

National Credit is Involved

Government ownership and operation of the railroads is on trial not only in Canada but before the financial and investment world. Already the financial press of New York and London is expressing the opinion that the available millions to pour into our transportation sinkhole are limited. These papers may be unfair in implying that the situation has been brought about by public ownership but that it is largely due to political meddling in transportation affairs means practically the same thing. However, they quite properly place upon the government, while it operates the roads, the responsibility for meeting the problem and reducing the immense deficits. In that they are obviously sceptical as to results in view of the experiences with government operation in the United States, Great Britain, Australia and other countries.

A Lame Excuse

It has been said in defence of the failure of the president of Canada Steamship Lines to purchase for the company the profitable coal business referred to in last week's issue, that the Company COULD NOT AFFORD IT. This excuse hardly holds water in the light of subsequent events.

The company COULD AFFORD to purchase the Iver Heath for $2,025,000, a sum several times more than we understand it would have cost to get control of this coal company. The acquisition of the coal company would have meant increased profits for Canada Steamship Lines; the acquisition of the Iver Heath meant heavy losses, even allowing for profits made on the operation of the boat, for the loss up to date in the value of the vessel has been well over $1,500,000, and if current offers are taken as the basis the loss in depreciation would figure out at over $1,800,000 on this boat alone.

Was the decision arrived at by a few of the directors who benefited by the profits on the coal company for years afterwards influenced by the vision of these profits? Was it the old question in this dangerous game of private profit controlling their actions, where the interests of the shareholders would have induced them to purchase the coal business for the advantage of Canada Steamship Lines? Just as it would appear that the purchase of the Iver Heath, or the Montreal Transportation Co. by Canada Steamship Lines was induced primarily to enable directors to cash in on their profits.

Could not afford to take over a profit-making coal concern? And yet they could afford to have their own Company pay $3,000,000 for the M. T. Co., on whose vessels there has since been a very heavy loss. This $3,000,000, we are informed, was a good many times what it would have cost Canada Steamship Lines to acquire a profitable coal company.

Could not afford it? And yet they could "afford" to force on the company a liability of $2,500,000, which by the same token relieved the Davie Shipbuilding Co., in which Messrs. Dawson and Morden—masters of the "TRUST"—were heavily interested, of a similar obligation of $2,500,000.

That "couldn't afford" defence, somehow or other, does not ring quite true.

There are some things that shareholders will not swallow,—once they get a line on the "game."

J. D. KIPPEN AND SIR MONTAGU ALLAN IN CIVIL COURT SUIT

Appear in Action Over Exclusive Ladies Wear

MACAROW'S POSITION

Interesting Evidence Which Has Bearing on Certain Phases of Affairs of Merchants Bank

From Our Own Correspondent

MONTREAL.—While there is a lull of a few days in the court proceedings against Sir Montagu Allan and D. C. Macarow of the Merchants Bank some illuminating evidence is being produced in a civil suit referred to in last week's issue, that of L. O. Trivett of Nottingham, England, against the Merchants Bank for the recovery of $11,000, or else the goods furnished by this firm to Exclusive Ladies' Wear. It was to this firm that the Merchants Bank loaned over $600,000, by far the greater part of which was a loss. This was singled out by the president of the Bank along with that of Thornton Davidson & Co's., in his statement to the shareholders.

The declaration of the plaintiff is that when the sale of the goods took place, in June, 1920, "the said company was insolvent," and the purpose was to induce plaintiff to ship goods that the company could not pay for, "with the intention that they should be turned over to the Merchants Bank against advances of money previously made." It is urged so far as the bank was concerned that it was aware of the insolvency of the company when these goods were assigned to it.

Other allegations are:

"That the said Company in liquidation was incorporated in June, 1915, with the knowledge and participation of the said Bank, to take over, among other things, a business formerly carried on in the City of Montreal, under the name and style of Kussner Bros., which said business was insolvent;

"That the said Bank was heavily involved in the affairs of the said firm of Kussner Bros., and the incorporation of the said company in liquidation was effected in an effort to afford to the said bank some method of recovering its said advances which were in jeopardy;

"That at the time of the said sale, to wit: during the month of June, 1920, the said Kussner, with the knowledge of the said bank, went to England, where, well knowing that the said company in liquidation was insolvent, he made purchases of goods to the amount of about $300,000, with the intention that the said goods should be shipped to Montreal and liens thereon immediately granted to the said bank."

The counsel for the Bank in this case is Aime Geoffrion, K. C., who on its behalf issues a denial of any knowledge of the insolvency of the firm at the time.

Auditor Contradicts Mr. Kippen

Below are given extracts from the evidence taken in court in which the president, Sir Montagu Allan, refers to Mr. Marcarow and this firm, and Mr. Kippen denies any knowledge of the actual condition of the firm shortly before it went into liquidation. Mr. Kippen's evidence was contradicted by that of Mr. Kent, auditor of the company, who declared he had discussed the condition of the firm with Mr. Kippen weeks before it went into liquidation.

In connection with the evidence it should be noted that the assets realized only 15 cents on the dollar.

When Sir Montagu Allan was called to the stand he was asked this question by Mr. Mathewson, of Johnson and Mathewson's, counsel for plaintiffs:

Q. Was the Exclusive Ladies' Wear account one of the elements that brought you to dispense with the services of Mr. Macarow?

A. Well it forms part of the whole lot—yes.

The judge asked the following question:

President Blamed Mr Macarow

Q. Have you ever had any particular cause of complaint against him, (Mr. Macarow) on account of this business, that is the Exclusive Ladies' Wear particularly?

A. It formed one of the accounts, the condition of which was not disclosed to the directors, and our complaint against him, rather not our complaint but our criticism of his conduct of the affairs of the Bank, was naturally in connection with that account and with others also.

BY THE COURT:

Q. What do you reproach him with in this particular account?

A. Because he had not disclosed the condition of the account to the Board of Directors.

Sir Montagu Allan further stated that Mr. Macarow had made no report as to the advances made to this company.

Mr. Mathewson, acting for the

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CREATE INTEREST IN "SAFETY FIRST" AMONG EMPLOYEES

The Prevention of Accidents is Much Better Than Compensation

PRACTICE SAFETY

Telephone Company Proves the Value of Instructing Employees in Habits of Carefulness

By J. H. MARTIN,
Of The Telephone Company, Before Safety Convention.

Realizing the importance of more intensive application of accident prevention and safety first methods, it was my privilege, together with the Superintendent of the Eastern Division, to attend a First Aid and Accident Prevention Convention in Philadelphia, which is a yearly affair with the Bell Telephone Co., of Pennsylvania operating in that State and part of New Jersey. That Company have for many years been giving a great deal of thought to Accident Prevention and have compiled some very interesting and instructive statistics. They long ago decided that it was better and cheaper to prevent accidents than to pay compensation. All those who had the privilege of attending this demonstration came away thoroughly sold with the idea that Pevention is cheaper than Compensation.

We made our first start with motor vehicles which had always been a fruitful source of accidents. Many people realize that to simply put up a "Safety First" sign at a danger point is of little or no value to employees constantly in the vicinity after a period say of three weeks. To illustrate, suppose there was a hole in the floor of your office or shop and you place a Safety First sign; that would be all right for two or three weeks but at the end of that time the sign simply becomes a part of the hole or rail. In other words it is not seen.

It is generally agreed that to get results from signs they must be changed at frequent intervals. Change the color, change the shape, change the wording, change the position. You will be surprised how the workmen will become interested and note every change which is made.

Change the Signs

With this thought in mind we decided to try it out with our motors. We had our draughtsman make up signs such as these. Sufficient quantity of signs for all company-owned cars and trucks are handed to the night man at the garage and it is his duty to remove the old signs and place a new one on the windshield in view of the driver but in such a position as not to obstruct his vision. These signs are changed at intervals of not more than two weeks. If a sign is simply placed on a car or truck and never changed, in a short time it becomes a part of the equipment and is noticed no more than the oil gauge or foot pedal.

As a proof of what this scheme will accomplish let me give you the results, in District No. 46, which covers Hamilton, St. Catharines, Welland, Brantford, Guelph and other cities and towns. Previous to July 1921 we were having our full share of accidents with our motor equipment. On July 1st we adopted the sign idea on the windshield with the result that during the last half of the year we did not have a motor accident and that condition continues to date as far as I know. In other Districts similar results have been obtained.

Have Good Speaker

The next important move is to have some convincing speaker meet the staff, and if the staff is large, preferably in small groups and talk to them in their own language. Appeal to them from a humane standpoint showing the suffering, inconvenience, expense and loss of unproductive time which can be saved if accidents are prevented. Have a few figures available and give some concrete cases showing how accident have been prevented and ask them to do as good or better.

Must Interest Supervision

Particular care must be taken to see that those in the first line of supervision such as foremen, sub-foremen, or others who are in immediate charge, fully realize their responsibility. They must understand that the employees are in their charge, not only as to actually doing the work but also the manner in which it is done having Safety always in mind. Remember that it was not always the fault of the person injured and in order to get results it may not only be necessary but advisable to change your foreman.

We have also had good results by suspending employees, sometimes foremen, when preventable accidents have happened.

Every normal man has a sporting instinct. With this thought in mind, and in order to create a friendly rivalry, we have inaugurated the following scheme:

1.—A foreman in charge of four or more men who goes for a year without a lost time accident to himself or men is to receive a bronze button. (Note: A foreman in charge of less than four men would require to go a period of two years.)

2.—If the foreman goes for two years without a lost time accident he will receive a gold button.

3.—If the foreman goes for three years without a lost time accident he receives a pocket book with suitable certificate.

4.—If a foreman goes for four years without a lost time accident he will receive a silver dish suitably inscribed.

Give Button for Merit

The result is that the foreman watches his men. If he has a man whose fingers are all thumbs who does not watch himself and who is careless, you will be surprised how soon you will get a report as we must admit that all men are not at their proper job and a change can often be made with good results.

Realizing that considerable time must elapse before sufficient buttons or other prizes could be won we looked around for some other means to create, stimulate and maintain interest and finally decided to adopt a banner, one of which is given to employees in each of the smaller areas in the district, also to each gang in

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ALBERTA WILLING TO GIVE UP SUBSIDY

In Consideration of Return of Resources as Offered by Ottawa

From Our Own Correspondent

EDMONTON.—The efforts that Alberta is making to secure possession of its natural resources will presently be advanced another stage by a conference between provincial government heads and the Federal authorities. Premier Greenfield and Attorney General Brownlee will go to Ottawa toward the end of this month. In the meantime they are digging into all the facts and figures available at this end of the line.

It is the intention of Alberta, in its negotiations for its own domain, to co-operate as far and fully as possible with Saskatchewan and Manitoba, but the latter provinces have not thus far shown a disposition to take the same point of view as Alberta, being more likely to insist upon the continuance of the cash subsidy, while Alberta is willing to let the subsidy pass in consideration of getting the resources. If necessary, this province, according to Premier Greenfield, will deal separately with Ottawa, probably agreeing to submit the argument as to whether there shall be any allowance for the cash subsidy or not to an arbitration tribunal. It is recognized that Alberta has considerably more at stake than the other provinces and may therefore be in a better position than they to forego the subsidy. Indication has already been given that the Government will be disposed to accept Premier King's offer.

PROTECTION FOR B. C.'s COAL INDUSTRY

A Million Dollars a Month Goes Out of Province for Fuel Oil

From Our Own Correspondent

VICTORIA.—Although the fuel oil tariff is a contentious issue in British Columbia, now that so much heating and power apparatus has been converted for the use of oil, the Associated Boards of Trade went on record here as favoring reasonable protection for the province's languishing coal industry.

Thomas Graham, general superintendent of the Canadian Collieries (Dunsmuir) Ltd., gave the conference some figures on the present situation. Canada consumed 30,000,000 tons of coal and produced 12,000,000 tons of coal in 1921, according to Mr. Graham. British Columbia's production dropped from 3,139,235 tons in 1910 to 2,600,000 tons in 1920. Vancouver Island mines produced, he said, 300,000 tons to produce 170,000 tons at the tipple and marketed 1,400,000 tons annually, or approximately 110,000 a month.

Mr. Graham pointed out that fuel oil imports amounted to between 350,000 and 375,000 barrels a month, and a million dollars went out of the Province each month for oil, displacing 100,000 tons of coal. He stated that 20,000 people were directly dependent on the coal industry on Vancouver Island alone, that they received $8,000,000 annually in wages and that an additional million was distributed for supplies.

"An adequate duty on foreign oil would result in the retention of $12,000,000 in the Province annually and would add $5,000,000 to the industrial payroll," said Mr. Graham.

DEMAND FOR STEEL

Steel is moving now in the Buffalo district at the fastest pace in nearly two years; operations have increased and orders are being taken right and left by purchasers who are more than eager to close for their requirements up to midsummer at $1.50 a hundred pounds.

General race for tonnage is affecting nearly every line of finished steel material and even conservative sellers are swinging into line.

DEPOSITS OF THE LOAN COMPANIES INCREASED IN '21

Mortgage Money Available in Larger Amounts During Past Year

In the twenty-fourth annual report of the Register of Loan Corporations of Ontario, presented by V. Evan Gray, mention of the Act passed last year, extending the powers of the loan corporations regarding deposits. The expectation that the increase of the deposit limit would enable these institutions to greatly extend their deposit business, thereby offsetting the alarming decrease in capital available in Great Britain and France, has not been fully realized. However, the total savings held by loan and trust companies at the end of the year stood at $35,954,958 as against $34,510,293 at the beginning of the year, indicating that loan companies, though making only a slight advance on the aggregate, have increased their relative position in the deposit-taking field very considerably. When the period of deflation is passed and normal economic conditions are restored, the legislation will more definitely effect the purpose for which it was recommended. Several companies increased their interest rates from 3½ to 4 per cent.

Discount on Sterling Important Factor

In the meantime the situation in regard to supply of loan company debenture monies from British and foreign sources has considerably improved. The reduction in interest rates available on other classes of securities in Great Britain is proceeding steadily, thereby restoring the possibilities of the loan corporation debenture as a competitor for these monies. The year has witnessed a diversity of policy among the Canadian loan corporations in regard to sterling debentures. One large loan company repaid over $1,000,000.00 of sterling debentures which matured during the year. This repayment was effected out of monies accumulated in Great Britain during the war and post-war period. Other companies have used their best efforts to renew their sterling debentures which matured during the year. Strangely enough these diverse policies dictated by the same general purpose, namely, to maintain the confidence of Scottish investors in Canadian loan company debentures and thus maintain the source of supply for moneys for the time when sterling exchange shall have regained a normal level. It is, of course, still impossible to bring out new sterling debenture moneys from Great Britain economically because of the discount on sterling.

Money Supply Increased

The supply of monies available for mortgage loans has considerably increased during the year. This has been due to several factors. The Life Insurance companies have now a considerably greater proportion of their funds available for mortgage loans than was the case a year ago. Their commitments on the purchase of Victory Bonds have now been absorbed and the falling rates of interest available on municipal and government bonds have naturally been a material factor in effecting the reentry of the Life Insurance companies to the mortgage lending field. For the same reasons there is a larger supply of the funds of private investors and of estates available for mortgage purposes. The result of this decreasing demand and increasing supply is already apparent in the rates of interest charged by loan corporations. During the past year these rates were 7 1-2 and 8 per cent., and already there has been a reduction of about half of one per cent. so that the rates at present prevailing are 7 and 7 1-2 per cent. The continuance of these general tendencies is to be expected during the present year and there are already signs that they are contributing to a revival of activity in building operations.

The following figures show the amount in dollars at par of exchange of sterling debentures outstanding at the end of the year named—1914, $40,297,166; 1919, $31,461,175; 1920, $25,690,463; 1921, $24,401,066. There are creditable indications that the lowest level has been reached.

Canadian Exports to New Zealand Decline

Total value of imports into New Zealand from Canada for the year ending December 31, 1921, was $7,911,290, a decrease from the previous year of $4,023,285, when the figures stood at $11,954,575. The official trade returns of the Dominion of New Zealand show the principal increases and decreases in the following tables:

Fresh Apples	£ 4,840	Decreases	
Whiskey	4,895	Fish	£87,961
Seeds	7,109	Chocolate	21,596
Bolts and Nuts	9,129	Wood Pulp	8,778
Iron	105,351	Clothing	35,663
Drills, etc.	19,625	Motors	177,803
Lumber	47,857	Tires	207,784
Printing paper	36 666	Leather	18,148
Other paper	16,651	Lorries	35,499
		Paints	42,160

ARTIFICIAL SILK

A New Industry Which Has Grown Rapidly

Artificial silk industry in the United States is rapidly becoming of the first importance. Its growth within the last two years has been especially significant. In 1921 artificial silk consumed in United States totalled 19,000,000 pounds, nearly half as much natural raw silk, approximately 42,000,000 pounds. Both production and imports of fibre silk in 1921 were double those of 1920.

Two new plants with a combined capacity of 5,000,000 pounds annually began operations during 1921 and capacity of a third was nearly doubled. Total investment is now over $50,000,000.

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In Queensland 19
In South Australia 14
In Western Australia 20
In Tasmania 3
And in NEW ZEALAND .. 46

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EDWARD C. PRATT
General Manager

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WESTERN FUNDS SENT TO RUSSIA NEEDED AT HOME

Russian Children Not the Only Ones Who Are Under-nourished

MISLEADING EFFECTS

Canadians Relieve Bolshevists of Economic Burdens While They Devote Energies to Spread of Communism

From Our Own Correspondent

REGINA.—The vist of Colonel Herbert J. Mackie to the prairie provinces for the purpose of soliciting money contributions in behalf of starving Russian children, has extracted considerable sympathy and not a little cash from westerners.

After the Colonel has passed on his way; after the churches, red cross societies, clubs and other organizations mobilized by him to aid in the campaign for funds have completed their work, two distinct questions suddenly occur to those who have been active in the drive. These are:

1. The situation in the southern areas of Saskatchewan and Alberta somewhat analogous to conditions on the Volga though not as serious; the large amount of unemployment and distress now extant and the fact that quite a large percentage of children attending school in the west at the present time are actually undernourished.

2. The paradox involved by Canadians making contribution—in many cases at great sacrifice to the starving people of a nation which is spending money and employing agents within Canada at the present time to disseminate the doctrines of communism and to create chaos among the working classes.

Labor's Attitude

Canada has been described as the best off of any victorious nation which took part in the recent war but at the same time one must face the fact that a heavy burden has been placed upon succeeding generations and that the basic industries of the country must have more considerate and cooperative treatment from the labor group before the troubles of to-day are regulated to the past.

In this regard it seems a reasonable supposition that Canada and conditions in Canada should be the first call upon the activities of Canadians. This is but a wider application of the adage that charity should commence at home. There is a wide field in Canada just now for all the efforts of amateur and professional philanthropists. While there are under-nurtured children in the Dominion, where good and plentiful food should be denied to none; while men and women are suffering for necessaries of life and while there are Canadians, who through no fault of their own, are receiving inadequate medical aid, surely the scanty purses of citizens should not be raided to assist other nations, particularly when the object of our bounty is a proven foe, carrying on a campaign of unrest in our very midst.

Funds for Propaganda

The situation on the Volga is Russia's problem. Colonel Mackie stated last week that Lenine and Trotzky were "practically crazy" with anxiety over the famine, but Colonel Mackie neglected to refer to the fact that while the Soviet government found itself unable to finance the famine, it had large sums available for broadcasting Bolsheviki doctrines in Canada and other countries. Col. Mackie stated the Soviet was facilitating the transport of Canada's gifts of food and clothing to the famine area in a "most considerate manner." Why should the Soviet do otherwise? If the Bolsheviki can induce Canada and other benevolent nations to assume the burden of relief work in Russia (a burden that is more or less general in all parts of the world at the present time) then the Bolsheviki is enabled more effectively to finance the spread of the Utopian gospel of communism.

Communists are Active

In Western Canada in the foreign settlements of Mennonites, Slavs, Scandinavians and other nationalities, there is particularly fruitful ground for this poisonous dissemination that flows untrammelled from Soviet Russia. The "Red" element is almost a recognized part of certain labor organizations at the present time and "red" meetings, participated in by hirsute men and uncorseted women, whose inclinations and doctrines are frankly communistic, are common in the foreign colonies.

The Bolsheviki have found a fine field for their activities in Canada and this brings one to the necessity of making a cursory analysis of results following in the train of former immigration policies.

In the early days the cry went up for settlers and the scrutiny of the type of settler was secondary, in fact, is was considered unnecessary. Thousands of people of different nationalities came to our shores and while it is true numbers made good citizens, it is still a fact that a large proportion of them are to-day very poor citizens.

And this is not entirely the fault of the immigrant. Canada accepted the Doukohobors, the Mennonites and many other sects and cults (of communistic tendencies) and instead of ruling that these new-comers should conform to the laws and the customs of the Dominion, they were permitted to set up "communities" of their own, practically ruled by themselves and openly flouting the legislation of Canada.

The "communities" waxed prosperous on the land presented them by the Government or bought cheaply from the colonizing companies. Succeeding generations of men and women bred in these "communities" held the same beliefs as their Russian, Scandinavian, German forbears. There was no enforced policy of education to cause them to depart from the old order and their old beliefs. They were like empty bottles waiting to be filled.

The Bolsheviki espied these empty bottles before Canadians realized the appalling emptiness (insofar as Canadian ideals of citizenship is concerned) of the minds of these people.

To-day, what do we find? The soviet emissaries have filled or are filling with the dirty water of bolshevism these bottles which have lain unfilled because of the neglect of our legislators. Canada's problem to-day is to empty the bottles, sterilize them and refill them with the pure fresh liquids that represent our National life and the ethics of Canadianism.

Charity at Home

Colonel Mackie may be actuated by the highest motives in his work for starving Russians, but Colonel Mackie and many other Canadians would do better for Canada to concentrate their efforts on eliminating distress and adjusting chaos in Canada, in making better citizens of the people already here, than to be a party to any misdirected effort in behalf of any undertaking fostered by the Soviet government.

SUTHERLAND INQUIRY ENDORSED BY LABOR

Trades and Labor Council Committee Says Drury Policy Has Been Justified

Although favorable to a system of Hydro-radial transportation throughout the province, a special committee of the Toronto district Trades and Labor Council is convinced that, "Hon. Mr. Drury took the proper course in appointing a commission to enquire into all matters for and against the construction of Hydro-Radials throughout the province, as it is a purely business transaction and as such, should be dealt with on purely business principles." Dealing further with the matter, the report says:

> Your committee have not been disposed to attach too much importance to the opinions expressed by "experts," while giving evidence before the commission, and for this reason, evidence can be manufactured and given according to the price paid for such, much depending upon how much benefit will be derived from the construction of such Hydro Radials, that remark includes landowners, speculative builders, financiers, road construction companies, and others who see an easy means of money grabbing from either the Government, the Municipalities, or the settlers on the land or from all those named.
>
> Your committee consider that the routes practically selected for the building and construction of Hydro-Radials previous to the great war, were considered more to compete with then privately owned steam railways. That condition of affairs has completely changed, the Canadian Northern and the Grand Trunk Railways now being owned and operated by the Federal Government, hence our view that Hydro-Radials should be constructed more to develop the Province than in competition with Government concerns of transportation. Should the Government, present or future, decide that Hydro-Radials systems be inaugurated, we are unanimously of the opinion that these systems be built, owned, operated and controlled by the Provincial Government, not as suggested, that the various municipalities undertake the responsibility of building Hydro-Radials, a course of procedure which from its inception would lead to imitation, inconvenience, overlapping, greater cost and end in utter chaos. One thing more, we consider that not one sod of earth should be turned for the construction of Hydro-Radials until an Act of Parliament is passed into law providing for the taxation of the unearned increment.
>
> We consider that no hardship has been placed on the people by the delay caused by the investigation of the commissioners, rather the reverse, as we are inclined to think that the demand for Hydro-Radials to be undertaken at once, was a scheme of landowners to grab a few more millions of easy money and some parliamentarians, to obtain some cheap notoriety by endeavoring to embarrass the present Government at Queen's Park.

OPPOSES STATE INSURANCE

People Can Manage Better For Themselves, says Governor

During his recent stay in Winnipeg Governor Preus, of Minnesota, addressed the convention of the Manitoba Life Underwriters' Association. Governor Preus was one time State Insurance Commissioner for Minnesota. He expressed himself as being opposed to state insurance, reiterating that a government should never do for the people what the people can do for themselves. "When the government enters into competition with private enterprise the government project is always a failure," he said.

TO PREVENT FRAUD IS THE MISSION OF NEW LEGISLATION

It Differs From the So-Called Blue-Sky Measures

NO GOVERNMENT VISE

Full Information Must be Given to the Investor but Government Does Not Pretend to Save Him

Although it is generally described as Blue-Sky legislation, the new measure before the Ontario Legislature for the protection of the investing public is in fact decidedly different from bills which have been so-called in the past. It is essentially a fraud bill. It does not pretend to put the stamp of governmental approval upon any issue, but it does propose that the laws of fraud shall be enforced in relation thereto and that there may be better understanding, both by the investor and the promoter, in their relations, the Companies Act is to be thoroughly revised along the lines of the regulations affecting joint stock companies employed by the British Board of Trade.

Under the proposed measure, charters can only be secured when full information is given to the Commissioner of Securities regarding both the enterprise and a prospectus containing all such information must be provided the investor, to make the transaction binding. The investor is thus protected in that he is assured of reasonable information. After that he must use his own judgment—the government does not propose to tell him what to do with his money. Further than this, however, provision is made whereby the Commissioner of Securities can at any time prosecute promoters for fraud who do not comply with the law.

Following are some of the more important provisions of the proposed bill outlining what must be done before a charter will be issued and also the powers of Commissioner of Securities in protecting the public against fraud:

The names, addresses and occupations of the directors, principal officers or proposed principal officers.

The authorized capital, the issued capital, the paid up capital and the amount and particulars of all securities which are a charge on the assets of the undertaking.

The number and classes of securities into which the capital is divided, the description of respective voting rights, preferences, rights to dividends, profits or capital of each class with respect to each other class.

The amount of the issue and the minimum subscription on which the issuer may proceed to allotments which shall not be less than an amount stated by the signatures to the statement to be reasonably sufficient for the purpose of the issue.

The terms of the subscription, agreement or application including the amount payable on application or allotment and otherwise.

Details of the purposes and uses to which the proceeds of the issue will be principally applied.

If the issuer has not been carrying on business for more than three years, the amount, or the estimated amount, of preliminary and organization expenses and the names and addresses of and the amount paid or payable to any person in consideration of the organization or the promotion of the undertaking or for the sale of securities.

If the issuer has been carrying on business for more than three years the names and addresses of and the amounts payable to any person in consideration of the issue, sale or offer for sale of the securities and particulars of the services rendered.

The amount and description of securities issued or proposed to be issued as fully or partly paid for consideration other than cash and particulars of such consideration.

The names and addresses of the vendors of any property purchased or acquired or proposed to be purchased or acquired which is to be paid for wholly or partly out of the proceeds of the issue.

Full particulars of the nature and extent of the interest, if any, of every director in the promotion of or in the property proposed to be acquired.

It is required that every issuer of securities before selling or offering for sale any of such securities shall issue a prospectus. If an issuer not domiciled in Ontario has failed to issue a prospectus the prospectus may be issued by a broker who intends to sell or offer for sale securities of the issuer.

Every advertisement, circular or other document being used or to be used for the purpose of aiding in the sale of securities offered to the public shall contain a statement that the prospectus required by statute will be furnished by the issuer of the advertisement, circular or other document on request.

Two copies of every prospectus and one copy of every advertisement, circular or other document issued, or to be issued, shall be filed with the commissioner.

A subscription for securities offered to the public shall not be binding upon the subscriber unless before, or at the time of, the subscription there is delivered to and left with the subscriber a copy of the prospectus. A subscriber in order to be entitled to the benefit of this subsection must withdraw his subscription before or within fifteen days after notice of the allotment.

No broker or salesman except a salesman resident in Ontario and acting only in the name and on behalf of a registered broker shall carry on business in Ontario or sell or offer for sale any securities in Ontario unles he is registered as a broker or salesman in the office of the commissioner pursuant to the provision of the statute.

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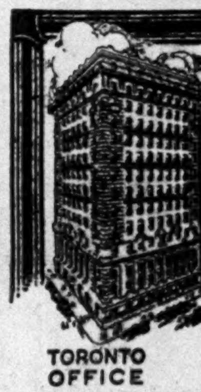

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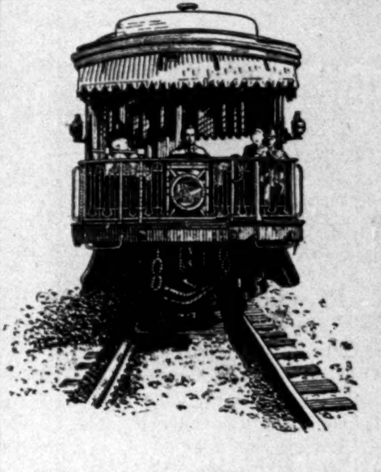

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THE BANK OF TORONTO
Incorporated 1855
THOS. F. HOW - General Manager

VALUE OF STOCKS CONTINUES ON THE UPWARD MOVEMENT

Market Turning to the High Grade Industrial Bonds and Preferred

STEADY IMPROVEMENT

Strong Forward Movement of the Market Will Probably Continue for Some Time Brokers Predict

The discounting of an anticipated trade revival, has been indicated by the general broadening out of the markets during the past month or so. The past week's advance adds impetus to the steady forward movement of the majority of stocks, since the first of the year. The public is of the opinion apparently that the prices of stocks have been low and in a wave of more or less speculative buying are carrying these stocks to higher levels.

Looking back since the first of the current year and comparing the range of prices that existed then and the ones at the present time a decided advance in representative stocks is indicated. In several cases the industries that suffered most in the fall of prices have made marked recoveries. In the following table the prices that prevailed in 1921 and the prices on January 3rd of the present year are compared with Wednesday of this week:

	Range for 1921		Range for 1922	
	High	Low	Jan. 3	Apr. 12
Abitibi	89	83	83	85
Barcelona . .	5	3	4	7
Brazilian . . .	36	19	28	46
F. N. Burt . . .	113	93	106	117
Brompton . . .	57	13	20	27
Can. Cottons .	85	62	82	90
Mackay	82	69	76	90
Quebec Ry. . .	29	22	23	28

It will be observed that some of the stocks have already exceeded the highest value recorded last year and that greatest advance has been made in the utilities and tractions. These stocks, which have been such a disappointment in the long expected recovery are apparently to be carried above the levels that existed two years ago. There is also the great advance made in the pulp and paper stocks, many of the companies are again operating to capacity.

Effect of Easy Money Situation

The fact that the American Government is able to make an issue of $150,000,000, six month treasury notes at 3 per cent, at the present time is the truest indication of the quantity of money now available. This issue will have the effect of immediately stiffening the market, for the higher yield industrial bonds and preferred shares. It is often noted that a market in which government and municipal bonds are scarce, is followed by an industrial bond market to be replaced in turn by an industrial preferred share market. The fact that well known investment houses are turning for the first time in their history to industrial bonds in addition to the municipals, is an indication of the trend of developments. Another sign that the market is widening is that some of the local houses are making greater efforts to bring Canadian securities before American investors by means of circulars.

UNLISTED SECURITIES

	Bid	Asked
Abitibi G. Mtge 6s (1940)	85	86
Algoma Steel 5s (1962).	46¼	46¾
Alta. Pacific Grain com	105	115
Do pref.	86	....
Ashdown Hard 5's (1928)	85	....
Can. Nor. Ry. 4's (1934), Dom. guarantee..	85	85½
Do 4s (1930) Man Guar.	87¼	88
Can. Oil com	45	51
Can. Westinghouse	108	....
Can. Woollens com	16½	17½
Cockshutt Plow pref....	40	43
Colling. Ship. Bld. com.	40	45
Do 6s	90	....
Cuban Can. Sugar pref..	15	15½
Davies, Wm., 6's	99	....
D. Iron & Steel 5s (1939)	72½	73½
Dom. Power com.	24½	25½
Dunlop Tire 6s..	90	....
Eastern Car 6s	89	....
Famous Players pref.....	53	57½
Fraser Co. 8's (1941) ...	96	....
Gt. West Life	200	....
Gunns Ltd. pref.	65	....
Home Bank	....	100
How. Smith Pap. 7's(1941)	....	95
Imperial Oil	102	103
King Edward Hotel com..	55	59
L. Superior Paper 6s...	88½	....
Lambton Golf	390	420
Manufacturing Life	38	....
Massey-Harris..	47	54
Mattagami Pulp pref	....	18
Do debs	32	35
Murray-Kay pref	53	56
National Life	40	....
Neilson, Wm., 6's	90	....
N. S. Steel 6% deb.	72½	73½
Price Bros. 5s (1940) ...	86	87
N. S. Steel 6% deb.	73	....
Ontario Pulp 6s	86½	90
Robert Simpson pref	82	....
Spanish River 8s (1941)	96	....
Sterling Bank.	....	101½
Sterling Coal com	18	21
Toronto Power 5s 1924 ..	94	95
Trust and Guarantee....	70½	71½
Amer. Salesbook 6s	98	....
Durant Motors.	10¼	11½
English Electric com....	22	24
Do pref	97	100
Mount Royal Hotel com	24	26
Do deb 30% bon com.	....	100
Western Assurance	4½	5½
Western Power 5s	76	....
Whalen Pulp com.	10	....
Do pref.	21	....
Winnipeg Electric pref...	83	84

ANOTHER ASSIGNMENT

T. O. Anderson & Company, brokers, Toronto, have assigned to J. P. Langley & Co. There are about fifty creditors and the financial loss, it is believed will not be great. No definite statement of assets and liabilities is yet available but it is understood that liabilities to clients will stand about $150,000 with assets of about $50,000. The firm was first affected by the crash in sugar prices.

WORKING OUT PLANS FOR AMES HOLDEN

Meeting of Bondholders and Other Groups Shortly—Disappointment in 1921

From Our Own Correspondent

MONTREAL.—While a serious illness of T. H. Reider, president of Ames, Holden, McCready, is delaying to some extent the plans for reorganization of the Company, a meeting will be held shortly of bondholders and others interested in order to discuss several suggestions. It would appear probable that a reduction in preferred and common capitalization may be compulsory. There is no intimation yet as to when the bond interest due on April 1 may be paid, nor whether the subsidiary companies, Ames, Holden Tire Co., and Ames, Holden Felt Co.,—both of which showed a surplus in 1921—and the rubber footwear company, are to be merged with the present company in one concern or not.

When the inventories were written down at the beginning of 1921 and a heavy loss taken on the 1920 operations, it was felt that the bottom had been reached, but 1921 brought with it heavy losses as well. At the present time business is better than at any other period during the past two years.

9% PREFERRED IN CEMENT CO. ISSUE

Novel Offering by Hochelaga Cement Co.—8% Bonds Part of Capitalization

From Our Own Correspondent

MONTREAL.—The new cement company referred to in these columns a few weeks ago as in course of organization is the Hochelaga Cement Co. which is constructing a plant at Montreal East, close to the Canada Cement Co., with a daily capacity of 2,500 barrels or 750,000 barrels per annum. It is estimated that the company can produce cement for $1.30 a barrel, while the market price is running over $2 to-day. In connection with the new concern bonds will be offered shortly amounting to $1,000,000 in the form of 8 per cent. 12 year first mortgage serial sinking fund gold bonds, redeemable from 4 to 12 years. These bonds carry the right to convert into preferred stock at par.

An innovation has been introduced in an issue of 9 per cent, cumulative preferred stock which also will be offered at par to the extent of $450,000. With the bonds will be given a bonus of 25 per cent. of common stock, and with the preferred, 50 per cent. The company declares that contracts have been closed already for one-half its output for the next five years. The bond and preferred stock issues have been underwritten by the Credit Canada, with whom will be associated a syndicate.

HOLDERS OF BONDS APPROVE OF CLEAN-UP

Privy Council Appeal on T.S.R. Award May Delay Distribution of Assets

At a meeting of the Toronto Power Company debenture stockholders in London on Wednesday, it was unanimously resolved to approve of the execution of the agreement between the company and the Ontario Hydro-Electric Power Commission. Commenting on this report, Manager R. J. Fleming of the Toronto Railway Companies said, "It simply means that the British bondholders have accepted the Ontario Government as a guarantor of the Toronto Power Company bonds in lieu of the Mackenzie companies."

An official statement from the Toronto Railway, issued some time ago and referring to the consent of the debenture holders, which has now been obtained, put the situation in the following form:

"Arrangements are being made (subject to the consent of the debenture holders) to release the properties now under the mortgage of $13,558,917, together with the guarantee of the Toronto Rly. Co. and to substitute therefor a bond of the commission (Hydro) guaranteed by the province of Ontario. This will leave the railway company's guarantee outstanding only on $4,103,200 of 5 per cent. bonds of the Toronto Power Company, due July 1, 1924. The securing of the release of the guarantee above referred to will be a very great advantage, as it should enable the company to distribute all of the funds on hand after July 1, 1924."

As the bonds now released from company guarantee are not due until 1941, a very long delay would otherwise have been necessary before complete distribution could take place.

TIRE PROJECT AT SHERBROOKE FAILS

Many Local Investors Lose Money in the Regal Company Enterprise

Sherbrooke Daily Record

A year ago the Regal Tire proposition was being urged before the people of Sherbrooke and the Townships. To many it looked rosy. A small investment in stock meant cheap tires and wonderful returns. But, when the tires came they were inferior and in many cases valueless.

Thus within a year the company comes to the verge of bankruptcy and a reorganization is effected through the introduction of other interests in the hope of saving something from the mess.

Of Regal Tire stock offered to the public it appears that shares representing over $300,000 were sold and that over $200,000 actually flowed from the people, into the treasury of the company, or into the pockets of selling agents, as commissions.

Now, at the end of one year, the company finds itself facing an indebtedness of some $140,000.

The people of this section of the country might well take to heart the lessons which may now be read in the Regal Tire story. The proposition looked good on paper. The management, however, lacked the experience necessary to enable it to guard against the pitfalls of the game. The first essential of such an enterprise is to manufacture, from the beginning, a good article. This the Regal Tire and Rubber Company failed to do, and from that time the undertaking was doomed.

The main point to be remembered is this: Enterprises which start without financial backing, or depend upon the sale of stock to the general public for working capital generally belong to the extra hazardous class.

Most successful businesses have been built up year by year from small beginnings or have been started by large initial investments by men of means who, guiding the enterprise and with much at stake, must win success or lose heavily. The test of practicability should precede and not follow the appeal to the public.

Financial Literature

Readers may obtain copies of the booklets and circulars referred to direct from the firms named. In asking for literature the FINANCIAL POST should be mentioned.

PRESENT MARKET VALUE OF BONDS

Quotations on several hundred Canadian government, city, public utility, industrial and railroad bonds are given in a comprehensive letter prepared by Nesbitt, Thomson & Co., Toronto, and Montreal. Worthwhile for valuating holdings.

ALL ABOUT INCOME TAXES

A twenty-four page book answering almost every question one could ask about the Canadian income tax is published by the Canadian Debentures Corporation and is particularly valuable this month to individuals.

SIXTEEN INVESTMENT STOCKS

Dickinson and Walbank, Montreal, comment on sixteen listed securities, which they consider investment bargains, in a circular they have prepared.

RAILROAD EARNINGS

Earnings for the first week of April, reported by the Canadian Pacific Railway, amounted to $2,970,000, as compared with $3,179,000 for the corresponding period in 1921, a decrease of $209,000, or 6.5 per cent.

The Canadian National reports earnings for the first week amounting to $2,006,058, as against $2,199,772 last year, a decrease of $193,714, or 8.8 per cent. From January 1 to April 7, the earnings totalled $27,996,509, a decrease of $6,002,890.

QUEBEC RAILWAY

The new Board of Directors of Quebec Railway, Light, Heat and Power Co., as chosen Wednesday is as follows: E. A. Robert, president; Hon. Lorne C. Webster, vice-president; Hon. Geo. E. Amyot, Quebec; Hon. Adelard Turgeon, Quebec; Hon. D. O. Lesperance, Quebec; J. N. Greenshields, Montreal; H. G. Valiquette Montreal; Col. J. E. Hutchison, Montreal; K. B. Thornton, Montreal; A. C. Barker, New York, and C. G. Greenshields, Montreal.

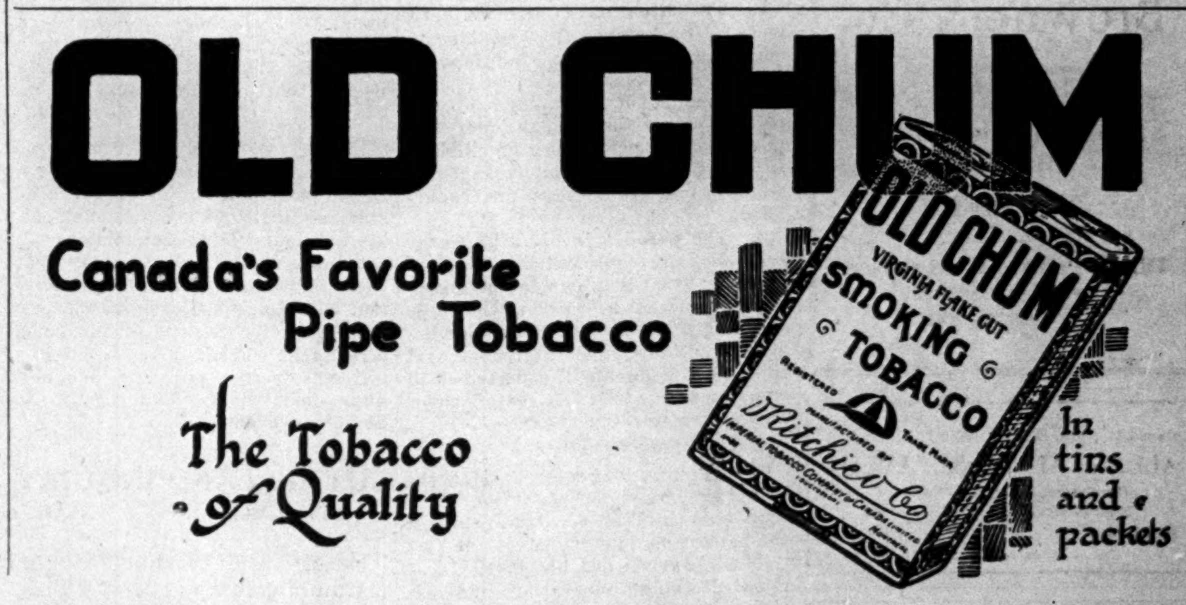
Announcement—

Mr. W. H. Thorburn, of the investment house of Richardson, Sheppard & Thorburn, Limited, and Mr. M. E. Sweetman, of Goldman & Co., Investment Bankers, announce that they have withdrawn from their respective firms and formed the Investment Banking House of

Thorburn, Sweetman & Co.
Limited
with offices at 1302-3 Royal Bank Building,
Toronto

Toronto,
April 12, 1922.

Adelaide 7360.



New Issue

$800,000

Canadian Paperboard Company, Limited

7% First Mortgage Sinking Fund Bonds

Dated April 1, 1922. Due April 1, 1937

Interest coupons attached payable half yearly, 1st April and 1st October, at any branch of the Standard Bank of Canada.
Bonds may be registered as to principal. Denominations: $100, $500 and $1,000.

BANKERS
Standard Bank of Canada.

AUDITORS
Clarkson, Gordon & Dilworth.

TRUSTEE
Chartered Trust & Executor Company.

ATTORNEYS
Fasken, Robertson, Sedgewick, Aitchison and Pickup.

DIRECTORS

President
J. G. G. KERRY,
Kerry & Chase, Limited,
Consulting Engineers, Toronto.

Vice-President
J. R. WALKER,
J. R. Walker & Co., Ltd.,
Montreal.

General Manager
DAVID F. ROBERTSON,
Montreal.

J. A. O'BRIEN,
M. J. O'Brien, Ltd.,
Ottawa.

SENATOR E. D. SMITH,
Winona, Ont.

CAPITALIZATION.

	Authorized	To be Issued
7% First Mortgage Sinking Fund Bonds	$1,500,000	$ 800,000
		Issued
Common Stock	$5,000,000	$2,100,500

From the letter of Mr. J. G. G. Kerry, President of the Company, we summarize as follows:

THE COMPANY—The Company is the largest manufacturer of paperboard in Canada.

MANAGEMENT—The management of the Company is in charge of men of proven ability and of long, successful experience in the business.

ASSETS—The fixed capital assets (exclusive of good-will) are more than two and one-half times the present Bond issue.

EARNINGS—During the past four fiscal years of the Company, the average annual earnings available for Bond Interest have been over three times the interest requirements of this issue. With the benefit of the present financing, the Company's earnings will be increased by at least $85,000 per annum.

PURPOSE OF ISSUE—Proceeds from the sale of these Bonds will be used to provide additional working capital—complete power development—build storage warehouses—instal sprinkler system for fire protection—and for general betterment of equipment.

SECURITY—The Bonds are secured by a First Mortgage on the entire fixed assets of the Company, and are also a floating charge on its current assets. Further Bonds may be issued only to the extent of 75% of actual cost of property extensions or betterments, and provided net earnings are at least two and one-half times interest requirements on outstanding Bonds, including those to be issued.

SINKING FUND—The Sinking Fund, commencing March 15, 1924, provides for retirement of 75% of Bonds by maturity. After March 15, 1924, Bonds are subject to call by lot for Sinking Fund purposes only at 105 and accrued interest upon giving three months' notice.

We offer these Bonds if, as, and when issued and received by us at a price of

95.50 and Accrued Interest Yielding Over 7½%

Interim certificates, dated April 1, 1922, will be issued pending the delivery of the definitive Bonds.

Canadian Debentures
Corporation Limited
Established 1910
36 KING ST·EAST TORONTO

Orders or Reservations may be telephoned or telegraphed at our expense

Bargains in Listed Stocks

By taking advantage of the present low market prices of some intrinsically sound listed securities, the investor can get a real investment bargain.

We have prepared a special market letter for our clients, enumerating the best of such securities listed on the Toronto Stock Exchange, now obtainable at an attractive price.

A copy of this we will gladly mail to you upon request.

Graham, Sanson & Co.
LIMITED
INVESTMENT BANKERS
85 Bay Street TORONTO
37 James St. S. HAMILTON

Bonds of Port Arthur, Ont.
to yield 6%

We have a small amount of 5% Bonds in $1,000 Denominations, due in 1933. Interest payable May 1st and November 1st.

Price:—91.53

Order by wire at our expense.

Stewart, McNair, Reid & Co.,
88 Bay Street, - - Toronto.

Sound Advice and Safety

These qualifications are essential to the investor, and insure the preserving of capital unimpaired together with opportunities for profits.

The GOLD STOCKS are enjoying a period of well deserved popularity which rests on a firm foundation of intrinsic merit.

Write or telephone us at once for information on the issues which combine safety with opportunity for profit.

No Marginal Accounts Accepted.

F. C. Sutherland & Co., Limited
4-5 King Edward Hotel
TORONTO, ONT.
Phone Main 6204

A REGION OF ROMANCE

This is the name so aptly given to the "Lake of Bays" district, in the "Highlands of Ontario," reached through Huntsville, 148 miles north of Toronto. Perfumed by millions of pines, invigorating breezes blow across this lakeland territory, providing a real tonic that is "easy to take." The 1922 issue of a publication telling you all about this wonderful summer playground, with list of hotels, has just been issued and a copy can be had free from Grand Trunk Agents, or on application to C. E. Horning, D.P.A., Toronto, Ont.

DIVIDEND PAYMENTS

Company	Date	Rate	Record
Hollinger	Apr 22	1	Apr 7
Maple L Mill com	Apr 18	3	Apr 3
Do pref.	Apr 18	1¾	Apr 3
Inter. Nickel pref	May 1	1½	Apr 18
Standard Bank	May 1	3½	Apr 17
Bk. Nationale	May 1	1½	Apr 15
Can. Explos com.	Apr 30	1½	Mar 31
Do pref.	Apr 15	1¾	Mar 31
C.N.W. Land	May 8	$3	Apr 22
Imperial Bk.	May 1	3+1	
Penmans com	May 15	2	May 5
Do pref.	May 1	1½	Apr 21
Steel of Can com.	May 1	1¾	Apr 8
Do pref.	May 1	1¾	Apr 8
McIntyre Mines	May 1	5	Apr 1
Nipissing.	Apr 20	3	Mar 31
B. E. Steel 1st pfd	May 1	1¾	Apr 15
Dom. Steel pfd.	May 1	1½	Apr 15
Dom. Coal pfd.	May 1	1¾	Apr 15
Am. Salesbook pfd	May 1	1¾	Apr 20
C. Converters	May 15	1¾	Apr 29
H. Smith Pap com	Apr 20	1½	Apr 10
Do pref.	Apr 20	2	Apr 10
Dome Mines.	Apr 20	25c	Mar 31

SMELTERS SHOWS MUCH BETTER YEAR PROFITS $570,000

This is Almost Double Figure of the Previous Year

BIG EXPORT DEMAND

Great Improvement in Foreign Business—Outlook Bright for Zinc and Lead—Stock Advances

From Our Own Correspondent

MONTREAL.—The annual report of the Consolidated Mining & Smelting Company of Canada for the year 1921 is even more satisfactory than had been expected, the net profits amounting to $570,043 as compared with $29,349. The net profits for 1921 allowed a charge of $232,692 in development account; a write off of $105,356 for depreciation and repairs and interest on bank loans. After providing for bond interest there remained $338,447 which was transferred to profit and loss account. This represents about 3.3 per cent. on the common stock of $10,533,700.

The president, James J. Warren, holds out the encouraging prospect for the current year. Generally speaking, he says, "you may look forward with confidence that your products, with the possible exception of copper, will be marketed with a fair margin of profit."

The general manager in his report states that during the first part of the year practically every metal had to be sold below cost of production and a considerable loss was suffered in realizing on the metal in stock as well as that produced. The reduction in production costs, however, progressed so much that in the latter part of 1921 the losses of the early part were absorbed and profits made. Future operations, he declares, can be looked forward to with confidence. He suggests that a very considerable drop in the price of coal and coke should come into effect early in 1922 and railway rates and costs of other supplies should be reduced. He looks forward to an increased output of both lead and zinc with a corresponding reduction in overhead expenses. He adds:

Most Successful in History

"I believe the year just passed has in many ways been the most successful in the history of the Company. During the last half of the year it has been established that the company can operate at a profit under the most trying conditions which have ever affected the mining industry."

Big Increase in Sales

The report of the sales manager shows a marked increase in sales over 1920, as follows:

Lead	58,022,000 lbs.	19,064,000 lbs.
Zinc	49,594,000 lbs.	31,470,000 lbs.
Copper	4,982,000 lbs.	5,036,000 lbs.

The increase in foreign sales was the outstanding feature of the past year. Domestic sales were light. There are many signs of encouragement for the current year's business, says the report, and "we believe the worst of the period of price re-adjustment in lead, zinc and copper is behind us. The increase in the home demand over the first quarter of 1922 is very encouraging and with present prospects for foreign trade we anticipate no difficulty in disposing of our maximum production at satisfactory prices." The bank indebtedness was reduced about $184,000.

The profit and loss accounts for the past two years compare as follows:

Profit and Loss Account

	1921	1920
Sales	$ 7,516,865	$ 7,227,611
On hand, etc.	2,779,434	3,336,463
Other rev.	8,575	31,287
Pow. Co. div.	256,960	241,844
Total income	$10,561,834	$10,837,205
Ore prev. year	3,336,463	2,987,297
Custom ore	385,998	1,747,402
Freight	634,873	517,029
Gen. exp.	5,270,372	4,971,003
Development	232,693	203,278
Depreciation	105,307	105,116
Directors' fees	3,300	8,800
Write-off	22,736	10,928
Net profit	$ 570,043	$ 291,349
Bond int.	231,596	251,023
Net earnings	$ 338,447	$ 40,326
Dividends	———	790,027
Balance	$ 338,447	$ 749,701
Taxes	———	$ 99,618
Balance	$ 338,447	$ 849,319
Previous surplus	809,014	1,658,333
P. & L. B.	$ 1,147,461	$ 809,014

MARITIME EXPORTS

From Our Own Correspondent

ST. JOHN.—Lumber and lumber products exported from the St. John district to the United States for the quarter ending March 31, 1922, were valued at $582,220, compared with $616,966 for the same period last year. Of this amount wood pulp represented $309,742 and pulp wood $677. No shingles were shipped to the United States during the quarter.

In the export trade there has also been a noticeable increase in the activities of the winter port this season, and the grain shipments will, it is estimated, be 3,000,000 bushels in excess of last winter.

Clarke Co. Creditors Talk Criminal Action

Criminal proceedings against the principals of the defunct brokerage firm of E. H. Clarke, were suggested by the creditors, at a meeting held this week. They finally decided, however, to delay any action until May 9th, to permit the filing of complete reports. The accounts of the local office show $158,609 as owing by the New York office. If this amount could be brought to Canada it would be possible to meet the $173,177 owing local creditors. Unless the securities and collateral that were taken to New York in advance of the crash are returned to Toronto, creditors here will have to choose between liquidating the Canadian company separately and receiving a very small amount on claims, or throwing their lot in with the general body of American creditors.

The following were appointed as inspectors; C. W. Carr, J. E. Day, J. P. Cannon, H. H. Sutherland and P. W. Hines.

STOCK MOVEMENTS OF THE WEEK

Week Ending April 11.

Banks—	Div. Rate	Ask	Bid	High	Low	Close	Sales
xCommerce	12	185	183½	183½	182	183½	104
xDominion	12	192	190	190¼	188	190¼	94
Hamilton	12	165	164	165	165	165	54
Imperial	12	172	171	170⅞	170¾	170⅞	37
Molsons	12	....	162	164	164	164	5
Montreal	12	220	219	220	218½	219½	188
Nova Scotia	16	....	255	258	257½	258	25
Royal	12	196	195¼	196	195	196	195
Standard	14	....	202	203	203	203	26
Toronto	12	181	180	181	180	180	23
Union	10	....	137	137	136	136	263
Industrials, Utilities, Etc.—							
Abitibi Paper com	..	....	48	48⅝	44	48½	10706
Ames Holden pref.	..	....	11	14	10	11½	970
Amer Salesbook com	..	....	15	16	15	16	125
Do pref	7	90	85	87	85	87	115
Asbestos Corporation com	6	60	59⅞	60	56	60	735
Do pref	7	....	78	78½	77¾	78¼	125
Atlantic Sugar com	..	25¾	25	25¾	23¼	24	3535
Barcelona Traction	..	6⅞	6⅝	7	6¼	7	2835
Bell Telephone	8	106	105½	106	105¾	105¾	3599
Brazilian Traction	..	45⅞	45⅝	46	38½	45¾	42310
B. C. Fishing	..	30	28	30	28	29½	65
Brit, Empire Steel com	..	11	10¾	11	8¾	11	1311
Do first preferred	7	72	70	71	65¾	71	850
Do second preferred	..	27½	27	27½	22	27½	1798
Brompton Pulp	..	28	27⅜	27¼	24½	27	5826
Burt, F. N. com	10	117	....	118½	115	116	169
Canada Bread com	..	31½	31	31¾	26	31	959
Can. Car and Foundy com	..	....	24	25	23½	25	615
Do pref	..	....	54	54	50	54	583
Canada Cement com	6	63	62½	63	58½	62¾	4664
Do pref	7	....	90	91½	90¾	91½	100
Canada Steamships com	..	....	18	19¼	16½	19	1121
Do pref	..	48	47	48	42¾	47½	4433
Canada Converters	7	81	....	81½	78	81	461
Canada Cottons com	8	90½	90	90½	82½	90	443
Do pref	6	79	78⅞	79	78	78	250
Can. General Electric com	8	90½	89½	90½	88	90½	1809
Do pref	7	98	....	98½	98	88⅝	45
Can. Locomotive com	8	75	....	70	70	70	1
Do pref	7	84	....	81	81	81	10
Canadian Pacific Railway	10	145	144	145½	141	145	367
City Dairy com	10	115	....	117	112	114	439
Do pref	7	....	94	94	94	94	60
Consumers' Gas	10	....	152	152	150	152	149
Detroit United Railway	..	66	65¾	64	62⅛	64	620
Dominion Bridge	4	71¾	71½	71½	70½	71¼	590
Dominion Canners com	..	38	36	38½	32	36	1067
Dominion Glass com	6	65¾	65½	65½	62½	65½	1456
Do pref	7	....	95	95	94	95	65
Dominion Textile com	12	149	148½	150	139½	149	755
Do pref	7	108	....	108	108	108	50
Dominion Iron pref	7	....	68	65	65	65	12
Dominion Steel com	..	30	29	28½	24	27¾	665
Do pref	6	....	70	71	69	71	141
Goodwins Limited com	..	....	26	26	26	26	10
Duluth-Superior	..	20	19	19	19	19	18
Gould Mfg. com	6	....	100	100	100	100	25
Do pref	7	....	100	100	100	100	25
Howard Smith Paper com	6	63	....	65	63½	63½	490
Do pref	8	....	90	90	88	88	40
Illinois Traction com	..	....	33⅜	33½	31¼	33¼	215
Do pref	6	....	78	79	78	79	25
Lake of Woods com	12	162	160	161	161	161	20
Do pref	7	....	108	108	108	108	150
Laurentide Paper	6	87	86	86¼	83½	86¼	2892
Lyall Construction	4	34	32½	33½	28½	33½	237
Macdonald A.	..	15¾	15	15½	15¼	15½	765
Mackay com	6	90	89¼	90	87	89	2800
Do pref	4	66	65	65	64	65	265
Maple Leaf Milling com	12	140	136	137	134	137	272
Do pref	7	....	100	100½	98½	100¼	663
Montreal Cottons com	6	....	82	82½	82½	82½	1
Do pref	7	....	104¾	105	104	105	163
Montreal Light Heat & Power com	5	88⅞	88¾	89	87¾	89	1652
Montreal Telegraph	8	....	50	50	50	50	35
Montreal Tramways	10	....	....	145	144½	145	69
National Breweries com	4	58½	58⅜	59½	57	58½	7171
Do pref	7	91	90	90	90	90	11
Pacific Burt com	2	45	40	45	44	45	70
Ogilvie Flour com	12	225	....	225	225	225	95
Do pref	7	....	108	110	110	110	10
Ont. Steel Products com	4	....	43	43	41½	42½	90
Ottawa L. H. & Power	6	....	81½	81¾	81½	81½	105
Penmans com	8	105	100	101	101	101	110
Porto Rico Rys com	4	30	25	25	25	25	15
Do pref	7	....	70	70	70	70	13
Price Bros	2	43⅞	43¾	44½	38	43¾	9454
Provincial Paper com	6	85	....	85	85	85	15
Do pref	7	88	86	87	87	87	5
Quebec Railway	..	27¼	27	28¼	22½	27	20403
Riordon Pulp com	..	9	8	9⅝	8½	8½	944
Do pref	..	13	12	13	10	13	25
Shawinigan	7	107½	107¼	107½	102½	107½	1128
Sherwin Williams pref	7	93½	93	94	93	93	61
Russell Motor pref	7	....	51	50	50	50	30
Spanish River Pulp com	7	74	73⅞	74	71½	74	1560
Do pref	7	....	86⅜	86½	84½	86½	3875
Steel of Canada com	7	72	71¼	72	67	71¾	4255
Do pref	7	95	94	95	94½	94½	25
St. Lawrence Flour com	6	85	84	84	83½	84	600
St. Maurice Paper	5	....	70	70	70	70	33
Toronto Railway	..	66½	66	67½	62	66	2192
Tuckett Tobacco com	4	41	40½	41	35¾	41	644
Do pref	7	81	79	82¼	82	82¼	60
Twin City com	..	50½	50	50⅛	46¼	50	2032
Kaministiquia	8	....	....	80	80	80	64
Wabasso Cotton	4	....	62	62	62	62	25
Wayagamack	..	49½	49⅜	49⅞	49¼	49½	675
Western Canada Flour	8	....	122½	120	117	117	50
Winnipeg Electric	..	42½	42	52	35¼	42	4713
Woods Mfg pref	7	....	....	70	70	70	10
Canada Landed	10	79	75	76	75¾	76	40
Canada Permanent	12	....	178	179	178½	179	34
Toronto Mortgage	10	....	74	74	74	74	14

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x In last week's table the figures quoted for the Bank of Commerce were transposed with those of the Dominion Bank.

New Issue

$2,000,000

The Bell Telephone Company of Canada

Capital Stock

8% Dividends have been paid on the Capital Stock without interruption for 36 years

Dividends from April 1, 1922, payable quarterly on 15th January, April, July and October by cheque, payable at par at any branch of the Bank of Montreal, in Canada. Shares of $100 par value each, ranking equally in all respects with the outstanding stock. Registered certificates in any multiple of $100. Transfer Agents:—The Royal Trust Company, Montreal and Toronto.

Dividends Free from Normal Income Tax — Stock listed on the Montreal and Toronto Exchanges

CAPITALIZATION

Common Shares, (including this issue)	$28,819,000
5% Bonds due April 1, 1925	11,250,000
7% Bonds due April 1, 1925	5,500,000

The authorized Share Capital is $75,000,000

We summarize as follows from the letter of Mr. C. F. Sise, Vice-President and General Manager of the Company:—

The Bell Telephone Company of Canada was incorporated in 1880 by special Act of the Parliament of Canada. It owns and operates the principal telephone system in the Provinces of Ontario and Quebec.

The book value of plant, equipment and investments at December 31, 1921, was $66,339,969.42, equivalent to about $185 for each share of Capital Stock outstanding, after deducting $16,750,000 par value of issued Bonds. The actual replacement value of the property considerably exceeds the value at which it is carried on the books of the Company.

The Company has no bank loans or floating indebtedness.

The growth of the Company's business since 1900 is illustrated by the following:—

Year	Subscribers	Long Distance Wire Miles	Total Assets (Excluding Cash, Receivables, Prepayments and Bond Discount)
1900	40,094	21,350	$ 7,498,762
1910	138,370	54,133	22,541,382
1921	400,277	103,545	66,339,969

The Company's rates are subject to the control of the Board of Railway Commissioners for Canada, in whose decisions an 8% return on the Capital Stock has been admitted to be reasonable.

Since 1886, earnings have always been well in excess of the 8% dividend requirement, except in 1920 and 1921, when high operating costs reduced the amount available. Earnings are now again in excess of dividend requirements, the six months ended February 28, 1922, showing a surplus.

Economies effective April 1, will further reduce operating expenses.

Dividends at the rate of 8% per annum have been paid continuously for 36 years.

Price: At Market

At current quotation on Montreal Stock Exchange the yield is about 7½%

GREENSHIELDS & CO.
Investment Securities
MONTREAL 17 St. John Street
TORONTO 14 King Street West
OTTAWA Central Chambers

ÆMILIUS JARVIS & CO.
LIMITED
MONTREAL Transportation Building
TORONTO 103 Bay Street
OTTAWA Toronto Gen. Trusts Bldg.

ROYAL SECURITIES CORPORATION
LIMITED
MONTREAL 164 St. James St.
TORONTO 58 King St., W.
HALIFAX Royal Bk. Bldg.
ST. JOHN 54 Pr. William St.
WINNIPEG Elec. Ry. Chambers
VANCOUVER Pacific Building

Safe Investment

This Bank not only gives you a comprehensive banking service, but, with our own Bond Department constantly dealing in strongly protected securities, we are in a position to advise and assist clients in procuring safe and profitable investment. 251

IMPERIAL BANK
OF CANADA
216 BRANCHES IN CANADA.

Agents in Great Britain: ENGLAND—Lloyds Bank Limited, London and Branches. SCOTLAND — The Commercial Bank of Scotland, Limited, Edinburgh and Branches. IRELAND — Northern Banking Co., Limited, Belfast and Branches. Agents in FRANCE: Lloyds and National Provincial Foreign Bank, Limited, Credit Lyonnais.

The Wabasso Cotton
Company, Limited

THREE RIVERS, P.Q.

Manufacturers of Fine White Cotton, also Spinners' Fine Counts of Yarns

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Dominion Textile Company
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Manufacturers of
COTTON FABRIC

MONTREAL TORONTO WINNIPEG

Western Canada Flour Mills Company
Limited
A. KELLY, *President* — J. E. MACFARLANE, *Gen. Mgr.*
Head Office: Toronto
Mills at
Goderich Winnipeg Calgary
Brandon Edmonton Victoria
Daily Capacity—Flour, 10,000 barrels, Rolled Oats, 1,000 barrels
MANUFACTURERS OF
PURITY FLOUR PURITY OATS

P. Lyall & Sons Construction Company, Limited
Toronto - Montreal - Ottawa

SAVING and INVESTING

We invite you to avail yourself of the complete facilities of our Savings Department. Interest compounded half-yearly and full checking privileges allowed.
One dollar or more will open an account. As your savings increase you may invest in our ordinary or accumulative debentures and secure the attractive rates of interest these high-grade securities yield. For example, $76.24 will buy an Accumulative Debenture for $100 payable at the end of five years, increasing your capital in that period by more than thirty per cent.

Canada Permanent Mortgage Corporation
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We have been giving satisfactory service to savers since 1855

ROBERT ASSUMES CHARGE OF QUEBEC RAILWAY AFFAIRS

President of Montreal Tramways Co. Succeeds Senator Webster

A NEW AGREEMENT?

Hope That Some Similar Arrangement Will be Made to Montreal's—No Par Value Stock

From Our Own Correspondent

MONTREAL.—The annual meeting of Quebec Railway, Light, Heat and Power Co. on Wednesday of this week was marked by the appointment of E. A. Robert as president to succeed Senator Lorne C. Webster, whose retirement was mooted last week. For some days past efforts had been made in many quarters, including the City of Quebec itself, to induce Mr. Robert, who is president of Montreal Tramways Co., to accept this position, the strongest pressure probably, being exerted by Senator Webster.

Senator Webster's Good Wishes

In connection with the appointment Senator Webster stated that he believed that the Company could not fail to profit from having placed at its disposal the knowledge and experience of a man who is such an outstanding figure in the public utility field. "I have always had," he added, "the greatest faith in the possibilities of the Quebec Railway properties, and I feel quite certain that under the able guidance of Mr. Robert my faith will be fully justified in the future."

No Par Value Stock

Along with the election of the new president a special meeting of shareholders approved of the change in the common stock from $100 par value to no par value. This action was taken at the suggestion of the auditors, P. S. Ross and Sons, in order that the company's connection with the Quebec and Saguenay Railway might be wiped off the slate.

New Agreement Coming?

The movement to secure Mr. Robert was due not only to his successful management of Montreal Tramways Co., which has secured an agreement that guarantees sufficient earnings to cover the dividend of 10 per cent., but to his identification with the new power projects by which it is planned to develop at least 200,000 h. p. in the vicinity of Montreal and probably to extend power development to other parts of the Province. There is a suggestion in the appointment, naturally, that an effort will be made to obtain for Quebec Railway Co. an agreement on a similar basis to that of Montreal Tramways Co., in which case it is believed the question of a dividend on the common stock of Quebec Railway might be brought within the range of a comparatively early possibility.

Clearing Away the Deadwood

Under ths presidency of Senator Webster, who succeeded the late Sir Rudolphe Forget, marked progress has been made in cleaning up the unfortunate complications which grew out of issues of currency bonds in France, and it was only last August when final arrangements were made with the bondholders on a satisfactory basis. With the change of the stock to a no par value basis the balance sheet can be arranged so that the company's assets and liabilities will be placed on a "rock bottom" foundation. There also lies the hope that Mr. Robert's entrance into the field may hasten the receipt by the company of the land grant that was earned by it in the building of the Quebec-Saguenay railway.

Since the annual report was made public a couple of weeks ago a more hopeful feeling exists in regard to the company's securities which advanced several points. The old time doubt, however, as to the real condition of the company manifested itself in substantial liquidation that met the upward movement at many points.

CANADIAN WOOLLENS

Application has been made to the Montreal and Toronto Stock Exchanges to list the securities of Canadian Woollens, $1,750,000 of 7 per cent. cumulative preferred stock and $1,718,500 of common stock.

INTERNATIONAL PAPER

International Paper Company's new mill at Three Rivers, Quebec, is turning our its first paper. The mill has been making sulphate pulp, and starting grinding wood last week. The first of its four paper machines, each weighing 700 tons, has been set up and is starting paper production. The new mill is claimed to be the lowest cost producer of newsprint in the world. Use of labor saving devices gives it the lowest pay roll per ton, so far as known. This company has 3,000 square miles of timber rights adjacent, floating the wood down the river to the mill. Mexican oil tankers tie up at its docks, discharging directly into the 155,000 barrel oil storage tanks.

N. Y. Herald cable says London expects considerable influence will be exercised at Genoa conference by American financiers and unofficial observers such as Frank A. Vanderlip and Junius Spencer Morgan, Jr.

NEW SILK INDUSTRY

Branch of New Jersey Firm for Drummondville

From Our Own Correspondent

MONTREAL.—The Southern Canada Power Co. is rejoicing over the location of another industry in the district that it covers with its power lines, the Dominion Silk Dyeing and Finishing Co., a branch of the National Silk Dyeing and Finishing Co. of Patterson, N. J. The new concern has purchased 16 acres of land in Drummondville, Que., and has begun the erection of its plant, which will cover two acres of land, for the dyeing and finishing of broad silks. The Company is capitalized at $1,000,000. It is hoped that a large business will develop as imports of broad silks into Canada each year run between $20,000,000 and $30,000,000. This makes over twenty industries the Industrial Department of the Power Co. has located during the last three years.

STABLE TAXATION IS NEEDED FOR MINES

Lack of Roads is Holding Back Prospecting and Development Work

The Associated Boards of Trade of Temiskaming met recently in Timmins to consider the problems facing the mining interests, and the basic needs of the mining industry of Ontario. The greatest need was unanimously decided to be that of stable taxation. It was shown that only by a settled and fair policy in this important matter could sufficient capital be secured to develop the great mineral resources of the provinc.

The need for much more extensive geological investigation of the mineral areas was emphasized, so that all available information could be collected and correlated. In this way only could the known deposits be worked to the best advantage and the prospector be given the necessary information for his work both as regard to method and locality. The great necessity for adequate transportation facilities, to aid in the prospecting and the development of claims, was brought out and it was shown that prospecting in Northern Ontario was practically dead largely for lack of these facilities.

BELL TELEPHONE CO'S. NEW $2.000.000 ISSUE

Syndicate Offering at Current Market Price—Earn More Than Dividend Now

From Our Own Correspondent

MONTREAL. — An interesting statement comes from C. F. Sise, vice-president and general manager of the Bell Telephone Co., in a letter dealing with a new issue of $2,000,000 of capital stock of the company which was offered this week. This is that "for the six months ended February 28, 1922, the company's earnings have been sufficient to provide for all expenses including bond interest and depreciation, (at the rate ordered by the Board of Railway Commissioners on April 1, 1921,) and also to meet its dividend requirements plus a surplus." This statement will be received with considerable satisfatcion by the present shareholders, as for the past two years, that is in 1920 and 1921, the company failed to earn its entire dividend of 8 per cent. Mr. Sise goes on to state that commencing on April 1 economies involving wage reductions become effective, "which will further reduce operating expenses."

Owing to the fact that there was already outstanding and listed on the Exchange, common stock to the amount of $26,819,000, it was necessary for new stock to be offered to the public at market price, which opened the week at 105½, giving a yield of about 7½ per cent. When the stock was selling at a much higher figure it was frequently offered to shareholders first of all, sometimes at par and sometimes at a premium. In the issue preceding this one, the stock offering was limited to the shareholders in the first instance and the "rights" were dealt in. The syndicate making the present offering is composed of Royal Securities Corporation, Greenshields & Co., and Aemilius Jarvis & Co. Among the statements outstanding in the prospectus is one that since 1900 subscribers increased from 40,094 to 400,277, and in the same period the assets, not including cash or bills receivable, rose from $7,498,762 to $66,339,969. The dividends at the rate of 8 per cent. have been paid continuously for thirty-six years. The purpose of the issue is to provide capital to enable the company to meet the demand for new services.

STANLEY, MAY & CO.

Stanley, May & Co., which recently made two additions to its partnership, is moving this week into larger and more convenient quarters at 30 Hospital St., Montreal, the ground floor of the Leurs Building. The Board room, with its ample space for quotations, is two stories high, while behind it are quarters for clients and the bookkeeping department.

The Report for 1921

of The Great-West Life Assurance Company is now in print, and will be mailed to any interested person on request.

It records a year of remarkable success — success founded upon twenty-nine years of remarkable

Results to Policyholders

Over $286,718,000 of insurance is now held in force by

THE GREAT-WEST LIFE ASSURANCE COMPANY
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REAL ESTATE
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City, Farm and Suburban Properties
Valuations Made Correspondence Solicited
FRED HAMILTON, 4 Sun Life Bldg., *HAMILTON, ONT.*

Save Steps, Time and Money
STROMBERG-CARLSON
INTER-COMM-PHONES
REQUIRE NO SWITCHBOARD OR OPERATOR
Send for Bulletin No. 1017
STROMBERG-CARLSON TELEPHONE MFG. CO.,
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C.P.T.C.

A Servant or a Master?

How many men labor all their lives for the comfortable little fortune that shall mean liberty from care—only to find that the dollars bring their own bondage? What with collecting interest, watching the market, re-investing maturing investments, looking after real estate, the little fortune is almost as much work to take care of, as it was to accumulate.

If you have a little money, let it serve you, not master you. For a fraction of what your time is worth to you,

The Canada Permanent Trust Company

will take charge of your investments, collect your income, invest or re-invest your money, according to your instructions,—or according to our best judgment, if you prefer to leave it entirely in our hands.

Because of this Company's wide experience, judgment, financial standing, and perfect trustworthiness, you are assured both leisure and peace of mind, when you place your affairs in the hands of

The Canada Permanent Trust Co.
Toronto Street, Toronto
Paid-up Capital - - - $1,000,000
Manager, Ontario Branch - *A. E. HESSIN*

THE BELL TELEPHONE CO OF CANADA
LOCAL LONG DISTANCE TELEPHONE
PUBLIC TELEPHONE STATION

"There Goes the Last Train!"
Long Distance to the Rescue

"What shall we do, George? There goes the last train, and the children will be alone all night. We simply can't have that; Betty is such a nervous child, and Bobby's always hunting for matches to make Indian bonfires with. It's dreadful."

"Well, Mary, you can't get home to-night. That's all there is to it."

"But we must do **something.** They may set the house on fire."

"Listen! Here's the drug-store. We'll call up Annie by Long Distance and ask her to go over and stay with the children."

"Oh, what a relief!"

Simple isn't it? Long Distance is the friend in need, always at hand, always ready to put you in touch with family, friends and business.

Every Bell Telephone is a Long Distance Station

'PEG ELECTRIC IS WORKING FOR LONGER CHARTER

Definitely Out For a Renewal For Ten Years

FOR BETTER SERVICE

General Manager McLimont Explains That Renewal is Necessary to Provide Capital

From Our Own Correspondent

WINNIPEG.—A. W. McLimont, general manager of the Winnipeg Electric Railway Company has made formal and specific application for a ten year extension of the company's franchise. "In order to obtain the necessary funds to carry out the settlement of outstanding matters and the programme of extensions, improvements and betterments, it is necessary that the city council should agree to postpone the first period at which the city may acquire the street railway utility from 1927 to 1937," says Mr. McLimont in his presentation to the city council.

"If it should be decided to enter into any negotiations with the company regarding the renewal of the franchise, the city council should make it clear that it has no authority to deal with the matter beyond preparing the case for submission to the vote of the people," is the attitude of the Free Press, which, however, is not at this time considered to be reflecting the general public's temper. There is an increasing disposition among business men to have the city avoid embarking upon a policy of civic-controlled street cars.

Mr. McLimont makes it clear in his application that any delay in the city council's decision will necessitate postponing for at least 12 months carrying out the company's plans. "In view of the benefits that will accrue to the citizens at large from the expenditure of the large sum of money involved and the employment that will be provided; in view of the benefit to the corporation of the city of Winnipeg from the moneys it will receive from the companies and in view of the fact that the company would be put in a position to plan intelligently for the future, I request the city council's early consideration and favorable action," he says.

If the city will extend the franchise date from 1927 until 1937, the company will be able to arrange for:

(1) "Payment of all outstanding taxes.

(2) "Payment to the city of the proper amount due for paving charges.

(3) "Payment to the city of such sum as may be found to be due to the city in respect of damages caused by electrolysis.

(4) "Completion of the work now in hand to carry out recommendations of Prof. Featherstonhaugh.

(5) "Completion of the work of removing span wire poles.

(6) "Undertaking to place wires underground according to such plan as may be agreed upon between the city and the company.

(7) "Completion of grounding of secondaries.

(8) "Actively proceeding with and completion of the adoption of joint use of poles in accordance with joint pole agreement."

The company also promises extensions of six lines, additional bus service and enlargement of St. James subway.

Negotiations for franchise extension have been in progress for a year now between the company and a subcommittee of the city council, and the harmany which has prevailed throughout would appear to presage the civic administration's agreement in the company's sound request. The Manitoba Free Press takes the stand that the time has arrived for a complete reopening of the franchise question, with the ultimate idea of the city taking over the public utility.

"The company cannot expect that the city council will quietly and as a matter of accommodation grant a renewal of the street railway franchise at this early date to relieve the company of difficulty which it says it is under in financing necessary extensions and improvements in its service," argues the Free Press, editorially. "The company is under contract to provide an adequate service for another five years, but it says, in effect, that it cannot do so unless it secures a guarantee of renewal of the franchise. But as the Free Press has already pointed out the citizens may well ask what guarantee have they that the same thing would not happen again towards the end of another franchise term. Would they not again receive notice that the street railway service was about to deteriorate unless they granted another renewal of the franchise?

"That is a condition against which the people must have some protection and that protection is the reopening of the whole franchise question with the opportunity for the city to take over the street railway if it is not satisfied with the conduct of the company. For the company to plead that it cannot fulfill its present contract obligations without a guarantee of renewal of the franchise is really to claim that the only kind of franchise under which it can operate satisfactorily is a perpetually renewable one. That of course, would be putting matters in an entirely new light."

WESTERN CANADA PULP

Debenture Holders to Consider Defaults in Payment of Bond Interest

A special meeting of the debenture-holders of the Western Canada Pulp and Paper Company, has been called for April 24 to consider ways and means of protecting their interests. Western Canada pulp met with adversity and was forced to pass bond interest due February 1 last. It is understood that the bondholders have given notice of fore-closure, although no definite proceedings have been announced.

This company was incorporated January 1920, to engage in the manufacture of sulphate and kraft pulp. With the depression in business throughout 1921, the plants were closed down, and have not been operating for the past eleven or twelve months. The securities are largely held in New York.

NEW FINANCING FOR CLARKE BROS.

Company in Need of Working Capital—Bondholders Asked to Authorize Issue

At a special meeting to be held in Toronto on April 25, the bondholders of Clarke Bros., Ltd., will be asked to authorize the sale of $600,000, 7 per cent, 15 year gold bonds. This issue is the continuation of the financing plans started last fall, in connection with the amalgamation of Clarke Bros., Ltd., and Clarke Bros. Paper Mills Ltd., at which time the refunding issue was arranged, when it was expected that the sale of part of these bonds would provide for the payment of moneys still due on account of construction and also to provide for ample working capital. The tightness of the money market and the unsatisfactory conditions prevailing at that time rendered the disposition of these bonds impossible. From that time on, the company has been severely handicapped for lack of capital.

Bonds outstanding total approximately $1,334,500 and including the new issue the total outstanding will be slightly under $2,000,000. Clarke Bros. Ltd., own approximately 60,000 acres of timber land containing 500,000 cords of pulpwood all on the watershed of the Bear River. It is possibly the only pulp company in Eastern Canada which can market its products by water transportation. The products of the mill go to New York.

MANY WARNINGS ABOUT OUR MINES IN LONDON PRESS

Leading Papers are Reminding Investors of Past Experiences

During the past few weeks there has been greatly increased interest manifested on the London market over Canadian gold mines. Especially since many of the mines on the Rand were no longer profitable on account of the excessive production charges and the declining premium on gold on the New York market. But this increased activity in our golds has not gone unheeded, for the Daily Mail makes the following comment:

> "While there is hope for the employment of British capital in developing Canada's mineral resources, it cannot be said that British investors have fared at all well with Canadian mining ventures in the past, and caution is as necessary as ever. Several Canadian gold mining flotations are being prepared for submission to British investors, and we hear of people being circularized in vague terms to arouse interest."

There is a large amount of truth in this comment, for English investors are in a receptive mood towards Canadian mines but they have to have proof that they are not partaking of propositions that have not been entertained on this side of the Atlantic. In this respect the Mining Journal states:

> Of all the London undertakings at Cobalt, but one, the Townsite, brought any satisfaction, and it was managed by long distance until the Watsons pulled it out of the mire. Further back, London took on the Leroy and other sad ventures. When Porcupine was discovered, the experience with London was not flattering to its honesty of purpose or to its technical efficiency. It is better to be frank about this. Overseas mining highbrows shrugged their shoulders or sought a quick profit. London's failure to participate in Hollinger was excused hurriedly. London took a bit of Rea, and an emetic. London had the Scottish-Ontario, and was nauseated next morning. The McIntyre was proffered and rejected. London compromised on The North Thompson. Dr. Simon was commissioned to come all the way to inspect the work on the Feldon ground in the "lemon belt." "England's Premier," located in the Moose Mountain locality on the Montreal river, was really "England's Dernier," in that quarter.

There is a very considerable amount of English money coming to Canada. One broker estimated that within the past two weeks, that $130,000 had been sent here for investment, that he knew of. The Canadian gold mines were the only ones in the world last year who increased the total value of their output, and are today in a very favorable position to make great expansion within the next few years.

BRIGHTER OUTLOOK FOR PRESSED METALS

Profits for the Year Stand at $11,000—Large Orders in View

The annual statement of Pressed Metals Company of Canada shows a small margin of profits, after all charges are paid. The profits for the year amount to $11,000 and the Marysville, (Mich.,) plant on its first six months of operation, showed a profit of $28,000, prior to writing off the various charges and showed a net deficit of approximately $1,000 after this was done. The surplus account stands at $114,000.

The outlook for the present year was very bright. President J. W. Leighton pointed out that the months of February and March had been the best in the company's history, and much new business was in sight. It was anticipated that an order for 1,000,000 bushings a year will be booked from the Studebaker Car Co. in a few days. The marked improvement in the automobile industry generally will help Pressed Metals, the president pointed out.

Up till the present, this company has been turning out bushings for the Ford company only. Production started last May on a basis of 250,000 bushings a month. This was increased to 1,000,000 bushings in August but in the face of keen competition the company was forced to quote a lower price, which allowed but a close margin of profit on the Ford business. From now on, however, the company is in a position to book business at a figure which will permit a very fair profit.

Amalgamated Clothing Workers sign agreement with Henry Sonneborn and Company and other Baltimore clothing manufacturers providing for 10 per cent. wage cut and other terms similar to new Chicago agreement.

Canadian Appraisal Co., Limited
Property Values Definitely Established to Meet All Insurance and Accounting Requirements
TORONTO ROYAL BANK BLDG. | 36 UNIVERSITY STREET MONTREAL | NEW YORK EQUITABLE BLDG

DUNLOP TRACTION CORD

Dunlop 1922

Facilities — Unsurpassed
Tire Quality — Never Better
Prices — Lowest of the Low
Mileage — Record-breaking

Dunlop Tires

A.166

NEW ISSUE

$1,374,500

Wayagamack Pulp and Paper Company, Limited

6% First Mortgage Sinking Fund Gold Bonds

Dated 1st February, 1911.—Maturing 1st February, 1951. Principal and interest payable at Quebec Savings and Trust Company, Montreal. Interest payable 1st August and 1st February. Coupon Bonds of $1,000 and $500 denominations, with privilege of registration as to principal only. Redeemable as a whole on any interest date upon three months' notice, or in part annually, for sinking fund purposes, upon six weeks' notice—at 105 and interest, at the option of the Company. Trustee: Quebec Savings and Trust Company, Montreal.

CAPITALIZATION
(Upon completion of present financing)

	Authorized and Issued	*Outstanding*
6% First Mortgage Sinking Fund Gold Bonds	$5,000,000	
Less: Redeemed, cancelled or held in Treasury for Sinking Fund purposes	369,700	$4,630,300
Common Shares	$5,000,000	$5,000,000

The Bonds now offered represent the balance of the authorized issue, less those cancelled for Sinking Fund purposes.

Sinking Fund. — An amount equal to 1% par value of the outstanding bonds shall be redeemed each year for sinking fund purposes. Having commenced on February 1st, 1917, this sinking fund provision will be sufficient to redeem the whole of the $5,000,000 bonds by the year 1950.

From a letter addressed to us by the President of the Company, and from technical reports and information obtained from official sources, we summarize as follows:

Wayagamack Pulp and Paper Company, Limited, owns and operates the largest and most important Sulphate Pulp and Kraft Wrapping Paper Mills in the world. The Company's product is marketed all the world over. In all markets it is recognized as the standard of quality. The Company's management is energetic, efficient and economical.

The **Plants** of the Company consist of a Kraft Paper Mill, a Sulphate Paper Mill, a Saw Mill and other properties in the City of Three Rivers, together with logging stations situate at various points on St. Maurice River. The Plants are in good physical condition, are constructed of steel, concrete and brick, and are practically fireproof throughout.

The annual output of the present equipment is:

Lumber	20,000,000 feet B.M.
Kraft Pulp	78,000 tons
Kraft Paper	39,000 tons

The **Timber properties** owned by the Company under Crown License have a total area of 2056 square miles—divided in three lots as follows:

St. Maurice River Limits	1121 Square Miles	
Portneuf River Limits	484 " "	
Gaspé, York River Limits	451 " "	
		2056 Sq. M.

These **Limits** contain very large quantities of pulpwood and merchantable timber, conservatively estimated to be sufficient for all future operations of the Company's plant. The facilities for transportation by water are of the very best.

The Company's **Property**—Buildings, Plant, Machinery, Limits, etc., have a certified book value of	$10,888,205
Net liquid assets (working capital) after giving effect to the present financing and after providing for all current liabilities will amount to	1,418,101
making **total net assets** of	$12,306,306

or **2.65 times** the amount of bonds outstanding, including this issue.

Average Annual Net Earnings available for interest, depreciation, etc., for a period of five years from 1917 to 1921 inclusive, notwithstanding a loss on operations of $156,712 in 1921, amounted to $1,054,464, equal to 3½ times the interest on the full $5,000,000 Bond Issue.

The object of the present issue is to reimburse the Company for monies expended on Capital Account for the installation of new paper machines, alterations and equipment to increase capacity.

$3,500,000 of the Company's Bonds are already listed on the Montreal Stock Exchange. Application will immediately be made to list the balance of the issue, including Bonds now offered.

PRICE: 77.50 and interest—to yield 8%

The Bonds are ready for immediate delivery.
Orders may be telegraphed or telephoned at our expense. No delivery charges.

R. A. Daly & Co.
Bank of Toronto Bldg., Toronto

Geo. Beausoleil & Co.
112 St. James Street, Montreal

R. C. Matthews & Co.
Limited
C.P.R. Building, Toronto

McLeod, Young, Weir & Co.,
Limited
23 Jordan Street, Toronto
40 Hospital Street, Montreal

René-T. Leclerc
160 St. James Street, Montreal 74 St. Peter Street, Quebec

The statements contained in this circular are not guaranteed, but are based upon information which we believe to be reliable and on which we acted in purchasing these securities.

Assessment System

THE CANADIAN ORDER *of* CHOSEN FRIENDS

Good Features

A Government endorsed twenty-year paid-up plan.
Whole family life insurance, at Government standard rates.
The best sick and funeral benefits. Double sick benefits, by paying double rates.
An up-to-date child insurance department.
Further particulars gladly furnished by corresponding with

John L. Davidson,
Grand Councillor,
540 Euclid Ave., Toronto, Ont.
W. F. Campbell,
Grand Organizer,
Hamilton, Ont.
Wm. F. Montague,
Grand Recorder-Treasurer,
P.O. Drawer No. 349,
Hamilton, Ont.

Specialty Real Estate

Finding a tenant or buyer of real estate for any special purpose, or locating a special kind of property for a client is one branch of service for which our real estate department is particularly well equipped.

A consultation is invited and usually we are successful in carrying out a client's wishes.

CHARTERED TRUST AND EXECUTOR COMPANY

46 King Street West, Toronto.

Hon. W. A. Charlton, President.
John J. Gibson, Managing Director.
W. S. Morden, K.C., Vice-Presiden and Manager of Trusts Department.
Frank McLaughlin, Manager Real Estate Department.

A SOUND INVESTMENT A HIGH YIELD—

The 8% Cumulative Preferred Shares of Monarch Mortgage & Investments, Ltd., represent a safe, conservative investment.

The purchaser, under this offering, secures 100% participation in the profits through the bonus of Common Stock.

Write for further information as to what this means in net return on the investment.

Investors Utility
Company, Limited
C.P.R. Bldg., TORONTO

8%

We consider the

8%

First and General Mortgage Sinking Fund Gold Bonds of the

Imperial Steel Corp.
LIMITED

are as safe and sound an industrial investment as is possible to secure anywhere. When these bonds move upward in price, in line with declining interest rates, purchasers will reap a handsome profit in addition to an excellent interest return.

Send for circular No. 111

Continental Bond Corp.
LIMITED
120 Bay St. - Toronto

Weekly Bank Clearance

(In comparison with same week last year)

EASTERN CITIES

	April 6, 1922.	Change	%
Toronto	$90,681,439	—$10,708,664	10.5
Montreal	109,156,172	— 20,180,394	15.6
Ottawa	7,887,223	— 2,975,253	2.7
Hamilton	5,822,033	— 967,660	14.1
Quebec	5,276,985	— 1,542,567	22.6
Halifax	3,332,911	— 702,716	17.4
London	3,060,740	— 1,701,253	35.7
Windsor	2,308,651	— 766,923	24.9
St. John	2,620,112	— 1,199,021	31.3
Moncton	1,099,413	— 361,444	24.7
Brantford	1,348,330	— 96,390	6.6
Kitchener	1,119,986	+ 328	.02
Peterboro	748,964	— 452,987	37.7
Total East	$234,462,959	—$41,654,944	15.0
Sherbrooke	897,425		
Kingston	688,315		

WESTERN CITIES

	April 6, 1922	Change	%
Winnipeg	$35,638,489	—$11,082,633	23.7
Vancouver	13,634,095	— 2,373,161	14.8
Calgary	5,228,941	— 2,387,590	31.3
Edmonton	4,591,745	— 808,180	14.8
Regina	3,276,629	— 1,070,318	24.6
Victoria	2,064,193	— 744,699	26.5
Saskatoon	1,646,010	— 435,990	20.9
Moose Jaw	1,114,657	— 307,699	21.6
Ft. William	733,829	— 209,406	2.21
Lethbridge	664,419	+ 2,710	.4
Brandon	520,437	— 284,273	35.3
N. W'minster	517,674	— 208,111	28.7
Pr. Albert	370,040	— 98,212	20.9
Med. Hat	290,484	— 198,362	40.6
Total West	$70,291,642	—$20,200,924	22.3
Grand total	$304,754,601	—$61,855,868	16.8
Yr. to date	$2,915,753,624	—$226,249,446	7.2

MONEY BANKING AND EXCHANGE

EXCHANGE MARKET IS WATCHING THE EVENTS AT GENOA

Sterling Moves Up to $4.41 Francs Improve Slightly, Canadian Funds Soft

As a result of Lloyd George's retention in office and the hopes expressed by the Genoa Conference, the course of sterling has been upward during the past week, from $4.38 to a high of $4.41. The most interesting event from the financial standpoint in England, was that the 5 per cent. war loan, largest loan to be raised during the war, reached par on Friday last, a premium of 5 per cent. over its issue price. This speaks very highly of the general financial position of Great Britain. The whole market in exchange is closely watching the progress of the Genoa Conference and will be guided from the developments reached at its sessions.

The French, Italian and German exchange rates have been erratic with an upward tendency. Francs improved their position most by a gain from 11.00 to 10.85. Other continental rates were slightly firmer.

Canadian exchange rose more than half a cent to 97-8 cents and traders say that there has also been an increase in the volume of transactions in Canadian funds. Considerable of the business is coming from the maturity of bills for our wheat and also to the further financing carried out in the New York Market.

STERLING AND FRANCS

	Dem.	Cables	Dem.	Cables
April 6..	4.38⅞	4.39⅝	10.98	11.00
April 7..	4.39½	4.40¼	10.97	10.99
April 8..	4.41	4.41¾	10.94	10.96
April 10..	4.41⅛	4.41⅞	10.88	10.90
April 11..	4.41⅛	4.41⅞	10.85	10.87
April 12—	4.41⅜	4.42⅛	10.85	10.87

NEW YORK FUNDS

April 6.—Down 1-32 from previous close, closed at 2.15-32.

April 7.—Weakened slightly, opening at 2⅞, closing at 2 7-16.

April 8.—Opening at 2¼, moved down to 2⅛.

April 10.—Decidedly weak at 2 per cent., advanced to close at 2 5-16.

April 11.—Slightly firmer at 2⅝, closed at 2½.

April 12—Fairly steady, opening at 2 7-16, closing at 2 1-2.

UNITED STATES GOLD STOCK WILL DECREASE

According to English Economist, Who Predicts Inflation Will Reduce Reserves

More than usual interest has been aroused in England by an address given by R. G. Hawtrey, before the Royal Statistical Society, in which he reviewed the restriction policy of the American Federal Reserve Board and the results of deflation in the United States. Turning to the increase in the re-discount rates inaugurated in May, 1920, he calls attention to the fact that "rates imposed to counteract excessive profits of a period of unprecedented inflation, were retained when the profits had not merely vanished, but had given place to a widespread loss and depression. A high discount rate, once it has become deterrent, has a cumulative effect. The rush to sell in an unfavorable market forces down prices and the fall of prices reinforces the original process." The speaker gave many instances in the history of the Bank of England where a high bank rate had been quickly followed by a low rate, as soon as the high rate had accomplished its purpose.

To-day the dollar is worth about two-thirds of pre-war value and Federal Reserve banks have piled up great gold reserves. As soon as there is a revival of trade, Mr. Hawtrey believes, the flow of purchasing power will increase in velocity, and increased gold reserves will provide basis for further expansion of credit. The only check to this renewed inflation will be the desire of Europe and other countries to restore the gold standard. Discount on the pound sterling has been reduced to less than 10 per cent., and moderate inflation in the United States will soon depreciate the dollar to level of sterling. As expansion proceeds gold will be drawn off by other countries. Abundant gold reserves of the United States will be disposed of "by the simple expedient of cheapening gold in the world market."

Mr. Hawtrey declares that the discount policy of the Federal Reserve Board was a grave error. "The whole world has been plunged into the most appalling distress for nearly two years by the strain of raising the commodity value of the dollar 80 per cent. And now a great part of what has been done is about to be undone. To that extent the effort was pure waste."

HOME

D. D. Crawford, manager of the Lawrence branch of the Home bank, has been appointed manager of the branch at London.

ROYAL

A. J. Welch, manager of the Royal bank at Quebec, has been elected president of the Board of Trade.

TORONTO

J. Allan, who has been a member of the staff of the Montreal branch of the Bank of Toronto for the past ten years, with the exception of the five-year period of his military service overseas, has joined the Montreal organization of McLeod, Young, Weir & Co.

J. D. KIPPEN AND SIR MONTAGU ALLAN IN CIVIL COURT SUIT

(Continued from page 1.)

plaintiff, secured from Sir Montagu Allan a repetition of the statement he had made to the shareholders in reference to this account. This was as follows:

"The Exclusive Ladies' Wear Limited loss was the outgrowth of an attempt early in 1916 to save a bad debt of $65,000.

"With apparently this end in view the debtors were allowed advances by the management without authority from the directors for new operations, and they expanded rapidly on the bank's money.

"Later on the affairs of this company and of two smaller ones of the same kind were grouped together under new management in the vain hope of bettering the position, but this did not improve matters."

In answer to another question, Sir Montagu Allan stated that his investigation did not reveal whether this company was insolvent at its birth or not.

Loans Increased

The next witness was John Williamson, who was bookkeeper for Exclusive Ladies' Wear. In dealing with the sales of the company he gave the figures showing that these had fallen off very greatly during the middle of the year 1920: January, $109,000; February, $110,000; March, $86,000; April, $130,000; May, $44,000; June, $4,900; July, $7,000. He declared that on December 31, 1919, the loans of the Merchants Bank to the company amounted to $472,886. In September following, that is at the time the company went into liquidation, the loans amounted to $622,000.

Dealing with the Kussner stock which had been taken into Exclusive Ladies' Wear from the Bank he declared that the large part of it was unsalable as there was no demand for it during the war. It was composed chiefly of laces and embroidery. He went on to state that Mr. Kippen knew that the large percentage of the account in 1920 was bad in proportion to what they should have been. The question to him was:

Q. Can you give us any percentage of your accounts that were bad?

A. No, but it was large in proportion to what it should have been.

Q. And Kippen knew that?

A. Yes.

When Mr. Kippen was called to the stand he stated that he was manager of the Montreal branch of the Bank from the latter part of 1916 until the end of October, 1920. He had the handling of the account of the Exclusive Ladies' Wear in his capacity as manager.

Took Firm's Own Inventory Figures

He was questioned as to whether he accepted the figures of the company where the inventory was shown as $500,000. He said that he would take this in his own Bank report at the same figure. He denied that he had ever discussed with Mr. Kent, the auditor, the question of the insolvency of the company. Nor had he ever heard any rumors about the company being insolvent.

He was asked this question:

Q. Is it not a fact, Mr. Kippen, that some time before the company actually went into insolvency that Kent went to you in your office and said that he had definite information that the company was going to go into insolvency?

A. No.

Q. You declare that on oath?

A. I do.

Mr. Kippen was questioned in regard to the accounts receivable of the company and estimated that in January, 1920, he would figure on only about 1 per cent. being bad or doubtful. In April possibly 2 per cent., and in June about 3 per cent. When asked about the other accounts than those in which the Bank was interested, the question took this form:

Q. Just took what these proprietors of the Exclusive Ladies' Wear, Limited, told you as gospel?

A. It would be a pretty heavy undertaking to go into every bill receivable of every concern or client that we had in the office.

Owed an Enormous Amount

During a discussion as to the position the company was in in 1920, the Court said:

"The defence will have to explain that, because I am prejudiced by the fact that this concern owed an enormous amount to the Bank which increased considerably during the month of June, and at first sight it would appear to me to be an unhealthy or unwholesome sign."

Mr. Kippen had declared previously that he did not consider conditions were "unwholesome," although he would not say that they were wholesome. Mr. Kippen was asked, in regard to the depreciation on this stock which was taken in 1916 and most of which still remained on the shelves of the firm in 1920. Mr. Mathewson asked him this question: "I wish you would try to use the brains the Lord gave you and say whether you think that stock held for four years would depreciate or not?"

A. I am not competent to express an opinion on that.

Another question was as follows:

Q. Do you want to tell me on an account of this size where the Bank was in for half a million dollars you took the estimate of depreciation of a young man like Kent and did not go behind that to make an estimate of your own?

A. Not actually in figures, No.

Q. In a general way?

A. I made no further depreciation in figures.

Mr. Kippen estimated the value of the stock in January, 1920, to be worth approximately 100 cents on the dollar. He explained this by saying that it would be worth within five per cent. either way.

The name of Mr. Macarow was introduced in the following question:

Q. Did you discuss Exclusive Ladies' Wear Limited account with Mr. Macarow who, I understand, was General Manager at that time?

Discussed With Mr. Macarow

A. I have discussed it with him in the past.

Q. Did you discuss it with him frequently?

A. I would say occasionally.

Q. You would report on the account to him?

A. Yes.

Q. What would be the nature of your report?

A. Discussion.

This he explained by stating how it was getting along, how the account was being operated.

Q. Do you remember that you did report to him your opinion of the account?

A. I frequently did; I have discussed it with him on occasions.

Q. What were these opinions?

A. I considered the account was all right.

Q. Without any shadow of doubt.

BY THE COURT:

I am impressed with your answers, but how can you say an account is satisfactory when from year to year the indebtedness to the Bank was increasing enormously?

A. They were doing a large turnover.

Q. Whatever may have been the turnover, if the amount of their indebtedness was always increasing, how can you say it was a good account?

Did Not Say It Was Worrying Him

Q. Will you say you did not say to him, Mr. Macarow, that it was worrying you?

A. Yes I will swear I did not say to him it was worrying to me.

This question was asked with reference to the month of May when Mr. Kippen went away for about three weeks.

Q. Did you on other occasions communicate your worries of this account to the General Manager?

A. I spoke very frankly with him.

Q. What did he say?

Both Held Similar Views

A. We discussed the account; I always considered I said that it was in fairly good shape, and it would eventually be in very good shape.

Q. Did he share your views?

A. He did as far as I know.

Q. And you used to corroborate each other and say what a good account this was?

A. I discussed it with him.

Q. If you thought it was good and he thought it was good, what discussion was necessary?

BY THE COURT:

They both satisfied themselves that there was no use worrying about the account.

BY PLAINTIFF'S COUNSEL:

They worried because there was no worry.

WESTERN ASSURANCE COMPANY of TORONTO

Incorporated A. D. 1851

INCOME

The Premiums for the year 1921 in the Fire, Automobile, etc Departments, less Reinsurances, amounted to $3,039,930.83, as compared with $3,527,612.86 for the previous year

Marine Premiums, less Reinsurances, amounted to $745,959.10, as compared with $1,743,645.32 for the previous year.

The Income from Interest and Rents amounted to $222,195.86.

The reduction in the Fire Premiums is similar to that experienced by Fire insurance companies generally and is due to the fall in values and to the depression in business conditions.

The reduction in the Marine Premiums is due to the Company's action in curtailing this business, as intimated in the Report for 1920. The Marine losses for 1921 are largely on the old business, as the restricted Marine business written in 1921 has given favorable results.

ASSETS

The Assets of the Company amount to $6,522,717.38.

SECURITY

After providing a Reserve for Unearned Premiums based on the Canadian Government Standard, there is a SURPLUS TO POLICYHOLDERS of $2,147,714.56. Calculating this Reserve in accordance with the long-established practice of the Company the SURPLUS TO POLICYHOLDERS is $2,700,528.30.

CLASSES WRITTEN

The Company writes the following classes of business:
Fire, Rents, Use and Occupancy; Inland Marine; Inland Transportation; Ocean Marine; Automobile; Riots; Strikes; Civil Commotions and Explosion.

LOSSES PAID SINCE ORGANIZATION

The Company was incorporated in Toronto in the year 1851—sixteen years before Confederation—and since its organization it has paid to the Public in Losses more than Eighty-Four Million Dollars.

WORLD-WIDE BUSINESS

It transacts business in Canada, Newfoundland, the United States, British West Indies, Great Britain, Australia, Egypt, India and other British possessions in the far East.

Head Office: Western Assurance Buildings
Corner Wellington and Scott Sts., Toronto

DOMINION

M. E. Mitchell, of the Guelph branch of the Dominion Bank, has been transferred to one of the Montreal branches of the bank. A. R. Morish, of Chatham has been appointed teller at Guelph.

Results of Canadian

Typewriting Championship

Held at Massey Hall April 7

For Championship of Canada

(*15 Minutes' Copying*)

Name	Machine	Words	Errors	Net Words per Minute
Fred Jarrett	Underwood	1738	4	113
Corinne Bourdon Doyle	Underwood	1670	12	103
Irma Wright	Underwood	1625	18	96
Alta Stevens	Underwood	1448	25	80
Bertha Schuman	Underwood	1430	29	76
Geraldine B. Graham	Underwood	1448	36	72
Hazel Wardell	Underwood	1412	34	71
Henri Boutin	Underwood	1340	27	71
Ada M. Davis	Underwood	1423	37	70
Jennie E. Wilson	Underwood	1379	33	70
Margaret Clements	Underwood	1434	40	69
Ada B. Dunk	Underwood	1139	11	68
Clarence Perry	Underwood	1590	58	67
Florence Cornock	Underwood	1277	29	66
Doris Russell	Underwood	1534	55	65
Margaret Robinson	Underwood	1126	18	64
Luella Sherratt	Underwood	1574	64	62
G. Jeanne Black	Underwood	1318	44	58
Leo David	Underwood	1309	34	57
Florence Burden	Remington	1419	56	57
Juanita Hopkins	Underwood	1434	59	56
Loretta Granfield	Underwood	1352	57	52
Persis A. Hebden	Underwood	1459	68	52
Agnes Copleston	Royal	1139	26	52
Vera McMillen	Underwood	1470	70	51
Ruby A. James	Royal	1331	57	50

and ten others.

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NEWS AND VIEWS FOR MANAGER

BANKS ARE READY TO FINANCE THE STOCK RAISERS

Managers Reply to Charges Made of Saskatchewan Official

Many Western bank managers are actively alive to the importance of meeting charges that the banks are not serving the interests of the farmers and stock raisers. At a meeting at Rosthern, Saskatchewan, under the auspices of the co-operative branch of the provincial department of agriculture, J. N. Purse, who has been campaigning for the department, made the statement that farmers were keen to the importance of stock-raising but that "the difficulty seemed to be due to the tightness of money; if banks would only loosen up for the purpose the farmers of the country are in a mood to go into stock."

The question of the attitude of the banks toward the livestock industry was referred to A. J. Reynolds, local manager of the Canadian Bank of Commerce, and H. G. Hurlburt, of Winnipeg, the bank's inspector, on a visit to the local branch.

Mr. Hurlburt said that while money might be described as tight commercially, there was no money stringency. The present was not a particularly tight period for livestock loans. The policy of his bank had always been to lend money for legitimate livestock requirements. Where farmers had feed and range facilities the present was a good time to buy. During the past two or three years the people in the south were getting rid of their cattle because of the drought. When conditions changed, the farmers in those areas would wish to build up their herds again and a greater demand would be created. They had always regarded the northern part of Manitoba, Saskatchewan and Alberta well adapted to the livestock industry. There were parts of the country today where feed was low, as Mr. Hurlburt had opportunity of knowing from his work, places where stock was being fed short rations. Incidentally Mr. Hurlburt remarked that Mr. Reynolds had come to Prince Albert from one of the premier livestock districts of the west, Vermilion, and knew this department of the business particularly well.

Banks Too Liberal

Many farmers in the country were in difficulties today through too liberal treatment in the matter of livestock loans in the past five years, Mr. Reynolds said. Improvement in the class of cattle rather than increase in numbers was what was wanted in this country, he believed. Certainly, this man's criticism was not applicable to local conditions. Farmers in Prince Albert district were pretty well loaded with stock; in fact, some of them would like to sell some of their livestock to these people who were so keen to buy. He found little demand for money for stock purchases. Applications received with this object in view were always considered, each on its own merits.

M. J. McCloskey, manager of the Banque d'Hochelaga. His bank was always prepared to meet the requirements of farmers going into cattle raising, taking into consideration the financial character of the farmers applying. Only in isolated instances where farmers were not in a position to handle cattle properly were loans refused. Since taking charge of the Prince Albert branch in September, there had been only two applications received for money to purchase livestock. One was approved on condition that good grade stock was purchased, but the applicant had evidently reconsidered the matter as he had not bought the stock. The other applicant was a man at some distance from the railway who would have had to buy the feed as well as the stock. This man was not encouraged to proceed in the matter in view of his lack of feed.

Farmers Will Not Take Loss

Most farmers in the country at large were still suffering as a result of their losses on stock during the disastrous winters of 1919 and 1920 and were not keen to buy, according to Stanley Davidson, manager of the Imperial Bank. The trouble with a great many farmers in the livestock game was that when faced with a loss, they would not take it in the way a merchant adopts by selling and buying in again on the lower prices, but the tendency was to hang on with results often disastrous to themselves.

The weakness of that policy was shown in the experience of stockmen in the winter mentioned. Though faced with a shortage of feed, farmers had refused to sell, with the result that they had to be advanced money to buy feed to carry through the winter and the stock had subsequently sold for no more than the feed they ate. Government propaganda encouraging heavy stocking up in cattle had also played its part in putting farmers in their present unfavorable position. Mr. Davidson did not think that it was the policy of any bank to tighten up on the livestock business where there was evidence that the farmer was able to handle the stock to advantage.

BANK CREDIT IS A QUESTION OF SUPPLY-DEMAND

Loans Must be Paid in Season to Allow Other Loans

By A. B. BARKER,
Manager, Toronto Clearing House.

In this article Mr. Barker emphasizes in a way which should be of practical use to the branch manager, some of the fundamental principles of banking which should be understood by borrowers but which are so often forgotten, particularly in a period of business depression and restricted credits. As a matter of fact credit and not money is the dominant factor in the situation and the supply and demand of credit fluctuates like any other commodity.—J.W.T.

It is surprising how prevalent is the idea of the power of the banks to extend credit and make loans and when as sometimes happens, a dealer must dispose of some of his stock in a trade at a lower price than anticipated because a renewal of his loan has been refused on his bank that institution usually comes in for some vitriolic comment. The dealer never refers to his own share in the trouble which has arisen from a wrong estimate of the public demand or from his inability to collect accounts, the result of selling to poor-paying customers. He simply curses the bank for not giving him a chance to hold his stock for better prices! Or it may be the refusal forces him to put pressure on his debtors. In banking publications when these features are referred to it is usually claimed that by being thus forced into safe business methods the customer is benefited equally with the bank if not more so. This reasoning is strictly logical and the borrower knows it is the truth but that does not make it any more palatable.

The Bank's Responsibility

As a matter of fact it is not the bank which thus rubs the delinquents nose in the dirt but the friends and neighbors often of the aggrieved party. They supply funds to the bank on certain conditions and in order to carry out these conditions it is essential that the loans made by the bank shall be kept liquid. The main conditions on which these funds are supplied by depositors is that the bank shall account on demand for all or part of the amount so deposited.

If all wanted their funds at once no bank could continue in business but it has been found by experience that if a percentage of these funds is held in cash sufficient to honor the day to day withdrawals together with an additional amount in cash or quickly realizable. assets, sufficient to provide for any unexpected withdrawals, the balance may be used in the bank's business of loans and discounts. These of course must be in as liquid a form as possible and to insure this there must be turnover, a succession of new advances going out and old ones paid. This precludes renewals as a renewal reduces the volume of turnover.

A Trader in Credit

The bank is a trader in credit and the amount of credit it can furnish its customers depends on the extent of its resources which consist of the funds derived from its deposits, the capital invested by its shareholders and the accumulated profits which have from time to time been transferred to its rest fund or surplus.

In consequence of these well defined limits, therefore, it is apparent that unless its borrowers pay their advances as agreed the resources of the bank will thereby be unavailable to the extent of the renewals. All business is seasonal in its demands for credit and the bank is organized to serve all classes. Its funds must be kept employed profitably if it is to function properly and this is accomplished when in the usual course each class of borrowers pays up at the end of his season. This permits the bank to grant accommodation to the next class of borrowers in his turn but if for any reason some do not pay the result is that the next class who are entitled to accommodation in their turn may have to go short of the expected assistance.

The experiment has often been tried but so far no system has yet been discovered by which credit can be safely advanced until that credit has first been accumulated in the shape of deposits and these are simply the result of production over and above that required by the producers for their own needs.

COMMERCE

The following staff changes have been announced by the Canadian Bank of Commerce: W. B. Russell, of the Milk River branch, transferred to Eckville, Alta.; J. A. Smith, of the Winnipeg branch, has assumed charge of the Weyburn branch during the absence on sick leave of H. J. Neale, manager; R. L. Cross, of Weyburn, transferred to Elstow.

BANK FAILURE FOR EVERY DAY IN THE STATES

During Year 1921, 365 Closed Never to Open Again

When critics of the Canadian banking system are pointing to the Merchants affair as an indication of fundamental weakness they should not forget that the period which has recently been passed has been one of tremendous strain upon the financial fabric of Canada as all other countries. Bank managers should make a note of the following figures of bank failures in the United States and they can effectively emphasize the fact that in Canada not one depositor has lost a dollar during this period. The Merchants Bank affair indicated a weakness in our system which should be reparable by legislation.—J.W.T.

During the calendar year 1921 a total of 528 State and private banks in the United States were closed, according to a statement by Comptroller of the Currency Crissinger, only 163 of these banks were able to reopen or otherwise liquidate their liabilities.

The liabilities of other banks, aggregated approximately $96,000,000, making the average per bank about $263,000.

The year, Mr. Crissinger explains, was the third most disastrous year with respect to the number of failures of national banks in the history of the National Banking System, there being thirty-seven national bank failures with liabilities of $23,677,360. The most disastrous year was 1893, when sixty five failures occurred, and the next was 1897, when there were thirty-eight failures.

There were, he explained, forty receiverships in 1921. In three cases, the banks were restored to solvency and authorized to resume business.

During the life of the National Banking System from 1863 to December 31, 1921, receivers have been appointed for 637 insolvent banks, but of this number forty-three were placed in a solvent condition and were authorized to resume business. This reduced the number of failures to 594, a fraction less than 5 per cent of the total number of National Banking Associations chartered. Creditors of all insolvent banks received an average of 83.79 per cent.

The S.H. grins over the D.N.

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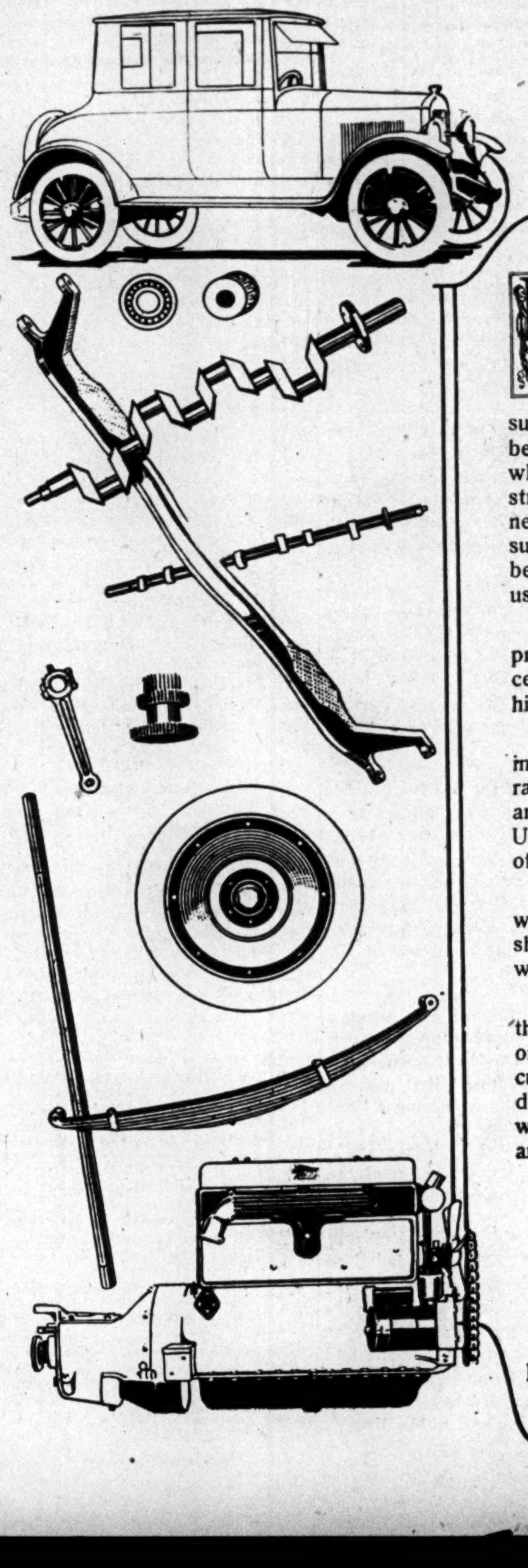
Passenger earnings of the Duluth-Superior Traction Company for the last period of March amounting to $48,875, compared with $51,991 for the corresponding period in 1921, a decrease of $3,115, or 6 per cent. For the month the earnings totalled $151,743, a decrease of $7,409, or 4.7 per cent., and for the three months to the end of March the earnings amounted to $425,529, a decrease of $29,346, or 6.5 per cent., compared with last year's figures.

Alloy Steel and the Motor Car



FROM the ordinary, commercial steels of which the early motor cars were built, we have progressed until to-day, we find motor car manufacturers using extensively the highest grade of alloy steels. There is probably no mechanism in the world to-day that is subjected to such hard usage as the working parts of an automobile. Not only are the stresses dynamic, but they are subject to reversal; and because of the insistent demand that weight be kept down, it is necessary to reduce the size of the parts to a point where stresses, at times, must necessarily approach the limits of elastic strength. The steel employed must have the combined qualities of hardness, resiliency, and ability to withstand sudden stress and a continued succession of shocks of the heaviest character. These features have all been made possible by the use of the wonderful alloy steels, which are used extensively by motor car manufacturers everywhere.

Alloy steels are used in the manufacture of low, as well as high, priced cars. The lowest priced car in the world uses the highest percentage of expensive alloy steel, and the builders claim the use of this high grade steel has made it possible.

All the steel now used by the large manufacturers of automobiles in Canada is imported in spite of the heavy freight rate, duty, and adverse rates of exchange. The demand for alloy steel is increasing with leaps and bounds, more particularly as many of the large manufacturers of the United States are locating in Canada for the purpose of taking advantage of the preferential tariff.

Because of this situation, experienced steel men and manufacturers who are associated with this industry are firmly convinced that Canada should not only supply the home market, but actually compete in the world's markets.

The Dominion Alloy Steel Corporation, Limited, will manufacture these steels at Sarnia with an initial output of 50,000 tons per year, or about one-half the present Canadian demand. It will have the executive experience that brought other companies to be the largest producers of alloy steels in the world. The Board is composed of men who have spent a lifetime solving the problems of the alloy steel industry, and other prominent men.

A descriptive circular giving complete information regarding the above Industry will be mailed upon request.

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TORONTO, APRIL 14, 1922

PROTECTING THE INVESTOR

ALTHOUGH it has been nick-named as "Blue-Sky" legislation, the fact remains that the measure which has been brought before the Ontario Legislature in the interests of investors is distinctly a fraud bill and differs from Blue-Sky acts on the essential point that there is no provision for government approval of any issue. The legislation as proposed provides that full information regarding a promotion shall be made available to the investor and even insures that he shall have seen a prospectus before an application for the securities is binding, but it does not pretend to prevent speculation if the investor is given a fair "run for his money."

On two points in particular the legislation as brought down follows the lines which have been urged for weeks in THE FINANCIAL POST. One is that the government does not place its formal approval on any issue; the other is that there is provision for the appointment of an official who will actively devote himself to the enforcement of the clauses of the bill as regards registration, issuance of prospectuses, etc., and otherwise take action to prevent fraud.

The danger of government approval has been emphasized by THE POST. This has been the weak feature of Blue Sky bills in the United States, because once that approval has been secured the securities can be represented to many people as practically the same as government securities. Further, it would be difficult for the government to repudiate its approval, in the event of fraud being practised, in time to prevent widespread loss. The appointment of an official to enforce laws against fraud has also been urged in these columns; it has been shown that laws against theft, liquor traffic and many other forms of crime would be of little avail if there were not someone interested in their enforcement.

Another important feature of the legislation, which is outlined elsewhere in this issue, is the repeal of the present Companies Act and the adoption of regulations regarding registration and the issuance of prospectuses along the lines of those enforced by the British Board of Trade. These are framed to insure that the investor is given essential information regarding the proposition in which he is putting his money and also that the funds are devoted to actual development with reasonable allowances for commissions and other promotion charges.

This measure, and no other measure, will protect some people from losing their money. But it is an improvement over much other legislation of the kind, and brokers, bankers and others interested will be given an opportunity to consider it during the legislative recess with a view to making suggested changes before adoption.

SOUND FARMING FINANCE

WHEN THE Farmers' Sun charges that the banks and "affiliated interests in the form of trust and loan companies are unalterably opposed to every venture on the part of the agricultural class to improve credit accommodation for their industry" it speaks, we are firmly convinced, for the political element and not for the rank and file of farmers throughout Canada, who have had dealings with these institutions. This is, we believe, particularly the case when it charges these institutions with opposing co-operative marketing schemes.

The reports which THE FINANCIAL POST receives from Western Canada indicate that the banks and the mortgage institutions are doing everything in their power to provide funds to enable the farmers to get in a crop. This is, after all, only good business because these institutions do not want farms on their hands; they want their money back with a reasonable rate of interest. To gain their end it is necessary that the land should produce; idle land is not only unproductive and unprofitable but a weed menace to the surrounding farms on which they are trying to realize on other loans. Sound agricultural authorities in Western Canada tell us that had the banks and the loan companies been less free with their loans in the past the whole situation would, perhaps, be better today.

Canadian prosperity is agricultural prosperity. The banks and the loan companies know this from first hand experience. They are in favor of all sound methods of increasing production. If the farmers through co-operation, can improve methods of marketing or of credit, so much the better. But they must be prepared to do so on their own credit and in a business-like way. It is when marketing or financial enterprises are backed by public credit, when the public treasury becomes responsible for those deficits which are so likely to occur under such conditions and when in addition tax burdens are removed to be added to the taxes of competing concerns that private business raises objection.

Public business-like private business must be prepared to stand on its own feet. Otherwise only a few can benefit at the expense of the many. When it comes to using such methods as seed grain legislation and farm loans financed on public credit to benefit certain farmers, it has been the sound farmers who could get credit at the bank or from the loan companies who have been the first to object because they could see at first hand that much of the money would probably not be repaid and that they as tax payers would have to meet the shot sooner or later. This has been the experience with such schemes in the West.

GENERAL MITCHELL'S RECORD

THE DECISION has been reached to have a commission of experts conduct a thorough inquiry into the Chippawa development of the Ontario Hydro Electric Commission. The idea will not only be to discover why estimates of $10,000,000 to $12,000,000 (upon which Sir Adam Beck staked his reputation as a public servant in 1916) have been increased to about $75,000,000 at present with much work still to be done, but also to decide upon what basis this power can be marketed to make the burden as light as possible upon the taxpayers without throttling industrial enterprises which must compete with the manufacturing concerns of Quebec. The appointment of such a commission is entirely in keeping with what THE FINANCIAL POST has been urging for many months—action has been delayed and the necessity for such a course has unfortunately increased with the delay.

The commission, while not yet appointed, will in all probability consist of five members. This should permit of a personnel to embrace a business man and authorities on construction and hydraulic and electrical engineering. M. J. Haney, practical contractor, and Brig.-General Mitchell, consulting engineer, have been named as two of the members.

General Mitchell, as a member of the commission which reported unfavorably on Sir Adam Beck's vaguely optimistic radial railway scheme, is opposed for this appointment—as might have been expected—by the Toronto Telegram as the mouthpiece of the extreme public ownership faction. Typical Telegramesque methods have been used to besmirch his reputation as an engineer. But while the public is in no better position than the Telegram to offer snap judgment as to the responsibility of General Mitchell at Parry Sound and Prince Albert, the public does know that his brilliant war record not only won him a reputation as a man of high integrity but his rapid rise in the Intelligence Branch marked him as an investigator of unusual ability. General Mitchell has had broad technical experience as an engineer; he has won high reward as an investigator; he has spent months already in examining into Hydro methods and that knowledge should be invaluable in the coming inquiry—no matter how much this same knowledge may be feared by the Hydro and its friends. As for his own attitude General Mitchell has always shown that sympathy for public ownership which is entertained by so many professional men as compared with those who have dealt with real business problems—that is the one objection to him which might properly be raised.

EDITORIAL NOTES

WHEN BUFFALO heard the Mendelssohn choir it heard "Toronto at its best," comments The Globe. No reflection, we hope, on Mayor Maguire's recent speech on Hydro in that city.

* * * *

INHERITANCE LAWS are now being favored in Russia. The Soviet crowd have evidently acquired wealth to bequeath to their children at the expense of the children whose parents created it.

* * * *

THE MANITOBA Government has taken a sound course in its conclusion that private capital should now finance housing construction. It is realized that "merely lending the credit of the province" is not such a trivial matter as advocates of paternalism would have it appear.

* * * *

APOLOGIES FOR the attack upon the Ontario Government's savings scheme have been properly made by the bankers. Public criticism of the scheme was in bad taste after it had been adopted. What is now wanted is fair, business-like reports of operations and results upon which the public can pass intelligent judgment.

* * * *

THE ARGUMENT is being advanced that it is not good business for Ontario to pass legislation for an eight hour day unless other provinces pass concurrent measures. A sound contention. But the principle should be extended to include Germany and other countries with which Canadian manufacturers must compete with the products of Canadian labor.

* * * *

"THERE IS NO way in the world to cut wages loose from prices. Soviet Russia tried it, and it has not worked. Millennium makers in all ages have tried it, and it has always failed. The wage-earner never has, and never will, obtain more than an approximately fixed proportion of the value of his product over any long period of time."—Paul Clay in Forbes Magazine.

* * * *

H. GORDON SELFRIDGE, head of the big London department store, run on the American plan, advocates a let up in government operations of business that should be run by individuals as one means of having a return of prosperity. "That govermental operation is rarely made to pay," he said, "is shown by the Glasgow Tramways which are often used to illustrate the potency of government operations. They are running into arrears and the deficit is supplied by the Glasgow treasury."

* * * *

WHEN THE FRIENDS of the farmer are arguing that railroads rates should not be allowed to provide even fair dividends for the investor because of the small return to the producer they should not forget that any reduction will increase the deficits on the government lines and the tax burden on the farmers and everybody else. The position of the National Railways is a better argument for higher freight rates than is the position of the Canadian Pacific an argument for a reduction.

* * * *

GERMANY HAS turned over the old Russian Embassy in Berlin to the Soviet Government. This is advertised as the first official recognition of the Soviet Government by any nation but, as THE POST has so frequently pointed out, the present Soviet Government is merely the agent and propagandist of the German Government and of a group of British and German financiers for whom Lloyd George is the chief spokesman. They have their sub-agents in Canadian business, labor and public life.

Contributions To Russian Charities

In view of the tremendous, nation-wide campaign seemingly directed by a master-mind for Russian famine funds to which the press of Canada is giving thousands of dollars of free space and which apparently is opposed only by THE FINANCIAL POST and one other paper, we are constantly receiving enquiries from readers in all parts of Canada for advice as to what attitude they should take towards these famine funds and particularly "Save the Children" funds. At the outset our information led us to support contributions to certain schemes, but later developments cast suspicion on one of these and raise doubts as to Canadians contributing now to any. It is now stated that all need for assistance has practically passed as far as Canada is concerned.

No charitable work has a greater appeal than the relief of suffering, starving children, but it has been so clearly allied with Lenine and Trotzky as to create suspicion.

It was first promoted in this country by an English emissary who devoted so much of her campaign to attacks on the British and Canadian Red Cross that it became necessary to take strong action to suppress her. After her a very prominent radical intellectual came here and spent months quietly visiting the smaller centres and on his return he endeavored to get a leading newspaper and some prominent Canadians to take up this "Save the Children" fund. He was referred to the Canadian Red Cross. Finally Colonel Mackie, a Pembroke contractor, rancher, promoter, and soldier of fortune, was induced to visit Russia where he was given a cordial reception by Lenine and Trotzky; thoroughly schooled in their new high-minded policies; was told that these men were much maligned—were saints, not sinners—and finally given an exhibit of starving Russians.

What the Sovietists have most desired is political recognition in Canada and the United States. They tried for two years the money appeal, the promise—a bogus promise—of millions of Russian orders for Canadian manufacturers. The falsehood of these schemes was easily exposed. They failed. When it came to an appeal for sympathy for starving children the Prime Minister of Canada, the Conservative leader, the Progressive leader, the Chief Justice of the Supreme Court and others lent their good names and moral support without thinking of the political effect of such recognition which was the chief objective of the Soviet. In the United States Mr. Hoover with his personal experience and understanding of Russian conditions could not be taken in. He would help but that help must be under the direction of his own agents and he positively refused to recognize the Soviet Government in any way.

We have no reason to doubt Colonel Mackie's sincerity. He is a big, good-natured, kind-hearted, sympathetic Canadian—the type of man who can easily be imposed upon and who rather loves adventure. We have complained that he was giving more attention to saving Lenine and Trotzky than to saving the children. He admits this but in defense says that it is necessary to do so in order to overcome the prejudices that exist in Canada against this murderous pair. He has told us that Canada and the U. S. received $800,000,000 in Russian orders during the war, therefore, we should deal generously with these people who spent so much money with us. We replied showing that practically all this money was borrowed from the British and the repayment has been repudiated and in any event that Canada got a mere $12,657,000. He said that Lenine and Trotzky had assured him positively that they abhor and had abandoned their communistic policies and their foreign propaganda and their outrages and murders. But the murders and outrages go on. South Africa strikes were promoted by Lenine's agents and money sent by Lenine. On February 2 a special message was received on this side from Lenine urging more intensive work, that workers should be asked to loan their savings to the Workers' Party literature funds, to stir up trouble in railroads, marine transports, coal mining and farming industries. Money was to be spent in sending agents throughout farming centres to preach radicalism and orders were given to make every effort to stir up trouble between the peoples of Canada and the United States. But Federal authorities aided largely by loyalists in the labor unions have been thwarting them. Orders went out from Lenine to campaign for the destruction of all national police forces. For months they have been trying to undermine the new force established by President Harding. The same policy came to a head in Canada this week when Woodsworth, Soviet M. P. for Winnipeg, urged the reduction of the Royal Mounted Police and the use of them only in outlying territories where they could not interfere with the foreign propaganda going on in this country. Woodsworth also objected to the deportation from Canada of British agitators. It is interesting to note in this connection that in a recent article by Mr. Woodsworth in MacLean's Magazine he complains that the greatest handicap to Soviet agitation in Canada are the native-born Canadians. Mr. Woodsworth's friends were successful in England in destroying the National Police Protective organization built up and headed by Sir Basil Thompson, which did such effective work during the war.

The close connection between the Soviet and the "Save the Children" fund has been charged in England and poor old Marquis Aberdeen was put up in the House of Lords to deny the allegation. More recently serious charges have been made in the London newspapers of tremendous graft in the handling of these "Save the Children" funds, men on the inside are said to collect commission even on clothing sent in unsolicited by charitably disposed persons in England. In fact, there has been so much crookedness in high places in the raising of money for war and foreign charitable objects in the last few years that the only sound policy for Canadians to follow is to limit their givings to home charities and such foreign charities as are handled by our own Canadian Red Cross with its well-informed foreign connections.

Canadian Famine Funds Build Foreign Roads

The Globe, Toronto, recently stated the donations totalling $336,000, sent to China famine sufferers by Canadian contributors, were spent in building roads in North China. With the thousands of deserving unemployed which we have had in Canada in the last two years, it seems to us that our duty is towards them rather than to foreigners, no matter how deserving. Conditions are very serious in some parts of Canada to-day but foreign propagandists are so busy amongst us that we overlook them. Here are two items from recent issues of the Winnipeg Free Press.

"Stories of poignant distress, suffered by soldiers' and other settlers' of Lake Manitoba, are reaching Miss M. E. Finch, secretary of the United Farm Women of Manitoba, by letter. 'Poverty and hardship, far from being the fault of the sufferers,' said Miss Finch to-day, 'have followed years of hard work, and are the result, in some cases, of the land being quite unsuitable for farming or stock raising. Children have no boots nor shoes, and are wearing bags wrapped around their feet over their stockings, to protect them from the cold. Other families are living on little else than potatoes, and one family has nothing but a little flour on which to exist. Some are in such condition they have to sacrifice their homes. In one family a twelve-year-old boy has just one pair of pants. He has had them so long and they have been mended so often that, to all intents and purposes, the original garment has disappeared, and the pants are now nothing but the patches which the lad's mother had put no them. Immediate assistance of all kinds is needed urgently,' declares Miss Finch, 'and she says if there are any citizens of Winnipeg who can spare clothing or supplies, they should communicate with Mrs. R. A. Rogers at the Board of Trade building, marking their contributions for soldier settlers.'"

And again: "The Manitoba Government is without authority to extend seed grain loans to municipalities of the province. Unless immediate steps are taken to remedy the situation, thousands of acres of land will not be seeded this year, as farmers in many districts of Manitoba have no funds to purchase seed grain."

THE MERCHANTS BANK FAILURE

Manitoba Free Press

H. H. Stevens, M. P., for Vancouver, is moving in the House of Commons for a parliamentary investigation into the failure of the Merchants Bank; no doubt he will receive sufficient support to have the matter proceeded with. The Canadian Bank Act is supposed to do something toward the protection of the public in connection with banking matters. The monthly returns made to the Department of Finance should mean something. If they show a bank drifting on the rocks it is presumed that a warning would go out in order that everything possible might be done to check the leak, or at least that the directors and shareholders might know what the situation was. If the reports submitted are not in keeping with the facts then an attempt to defraud is being made and the penalties should be invoked. It is inconceivable that the Department of Finance knew what was going on regarding the reserve of the Merchants Bank without taking precautionary steps at least. If the reports were "cooked" the punishment should be in keeping with the crime.

In the public interest it will be well to have the investigation. The public is entitled to know how a bank can be wrecked behind closed doors, if that is where it happened. The investigation is also needed to demonstrate whether the present Bank Act has enough teeth in it.

N. Y. Times cable says restoration of free market for French 1915-16 5s complete success. Price rose from 76.25 to 76.65 despite heavy selling. Lifting of restrictions on trading in other French bonds expected shortly.

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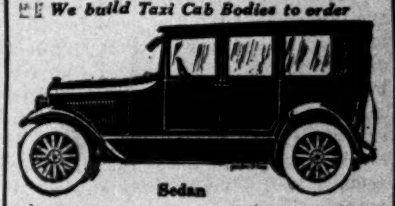

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INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Only questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

SAFE-KEEPING POLICIES

X. Y. Z., Toronto—Would you be so kind as to inform me of the general practice of large companies in regard to the safe keeping of their fire, burglary and other policies. Do they keep them in their own vaults and what do the insurance companies advise.

On enquiry at representative insurance companies of all branches of insurance, we find that there are no definite rulings or opinions given as to the safe-keeping of policies. It is not a serious thing for a policy to be misplaced or lost, as all insurance companies have copies on file. Keeping the policies in the company's vault has the advantage of easy access for inspection or renewal.

INTERNATIONAL PETROLEUM

Mrs. M., Calgary—Will you kindly advise me if you consider International Petroleum a good investment?

The International Petroleum Co., Ltd, is controlled by the Imperial Oil Co., and was incorporated in August 1920 under Canadian laws when it acquired the outstanding stock of the Tropical Oil Company. The company operates in South America and much of its product is brought to Canada to be refined.

The authorized capital is 19,900,000 no par value common shares and $500,000 preferred stock par value $5. The Imperial Oil Co., Ltd., owns the majority of the stock. The preferred and common shares rank equally in respect of all dividends and for surplus net profits of the company. The preferred shares have preference as to assets and are not subject to redemption. There is no funded debt.

The company has to date made a handsome showing and early shareholders have been benefited both in dividends and stock. However, you must recognize that practically all oil shares are speculative owing to the uncertainty of future of the industry particularly as regards supply. We would hardly consider it therefore an attractive proposition for a woman if an assured income is desired.

PEACE RIVER PETROLEUM

Enquirer, Erin—I would be very much obliged for your opinion of the Peace River Petroleum Co. What is the standing of the company? Is it, in your opinion, doing business on the square to its stockholders. Is stock worth anything?

Peace River Petroleum is not in the best condition. The company has spent most of the money it originally raised in drilling a couple of wells at its Peace River properties with indifferent results. While there was evidence of oil, gas and water were the chief products. Now the company is out of funds and before it can go ahead with further drilling must raise capital. This it proposes to do by selling about 75,000 shares of stock to its present shareholders at $1 a share. It is a question if even this will attain the company's ends. It now seems certain that development of oil in Northern Alberta is going to be a slow and expensive process and only those who are willing and financially capable of plunging dollars after dollars into the process, have good prospects of success. In such a case there is no assurance that this appeal for money will be the last.

The directors of this company seem to be sincere in their efforts to make good but there is too much of the gamble in the prospects to make a further investment advisable. Moreover, the shares offered at $1 can be picked up at anywhere from 10 cents a share up.

MASSEY-HARRIS

Reader, Calgary—Would like your opinion of Massey Harris shares.

The Massey-Harris Company is, of course, one of Canada's outstanding manufacturing industries and in an agricultural country like this is a future in which every confidence can be placed. However, the adjustment in the values of agricultural products has had a very depressing effect on the implement industry both as regards collections and new orders.

The result is that the Massey-Harris Company is carrying millions on its books and it has been decided to husband liquid assets at the expense of dividends.

The market for the stock is rather vague. It is not listed and there is an understanding that transactions can only be put through after the approval of the directors. This means that the directors have a prior privilege to make an offer of a higher price than that of a private investor. At the present time while we understand that a conservative estimate of assets would give the shares a book value of about $150, the market would probably be 60 to 65, this being largely due to the fact that no dividends are being paid. We would consider that if a person is prepared to hold, the stock is attractive around the figures mentioned and that it would be inadvisable for a holder to sell at the present time unless faced with the necessity of providing a current income.

KIRK GOLD MINES

J. B. Kingston—What do you know about Kirk Gold Mines as a speculation?

We find that the Kirk Gold Mines Co., has been engaged during the past two and a half years in developing three properties, the Bass Lake, Havilah and Kirkland Lake holdings. There has been a considerable amount of work carried out and the ore is said to be of good grade. But in view of the small mill and the resulting small return, we consider the purchase of the company's stock at the present to be a pure speculation.

Develop the Northern Mines To Bring Back Prosperity

Quick Return to Industrial Prosperity Not To Be Expected—Blue-Sky Laws Do Not Protect and Discourage Development

By R. HOME SMITH,
In address to the Mining Institute.

It is certain that the general business situation is anything but satisfactory. The problem of the unemployed speaks for itself, but those of us who are interested in various enterprises, know in addition that the industrial prospect is not brightening and that it is questionable how long many businesses can stand the strain. It is also, I think, the best banking and business opinion, that if things are left to themselves and no new avenues of trade are opened up conditions will tend to become worse and that failing such new developments, it is reasonable to forecast that we must pass through a three to a five-year period of bad times.

We are moreover experiencing a condition which we have never had to meet before, in that our Dominion, Provincial and Municipal debts have been swollen to a point at which the very payment of interest is a staggering burden, even aside from the provision of the revenues absolutely necessary for current expenses and administration.

It is quite clear that economies cannot be pushed past the given point, after which they only aggravate an already bad situation by throwing men out of employment and crippling services which are essential to the very life of the community, and there are therefore only two alternatives before us, either to face bad times with grinding economies and very gradually reduce our mountain of debt,—or to multiply the country's production, to develop its resources, to increase the population, and its tax paying abilities, and to thus relatively decrease our indebtedness

The Railway Burden

We also have on our hands a difficult and serious railway problem. and here again we must either settle down to meeting yearly deficits or create new industrial centres of population and development in those new sections of the country, which are now served by thousands of miles of railway for which we had no use when they were built, and which are today liabilities instead of assets.

It is obvious that taxation in this country has reached the dangerous level at which new effort and development is discouraged, and we will shortly be in a situation where men of energy, resource and courage are lost to the community by reason of the fact that the savings which they would otherwise place behind their efforts are gobbled up by taxation. There is not much left of the theory, "let the rich pay the taxes," as we are finding that the operation of that political catch phrase saps the very foundations of our industrial progress and development.

Agriculture is Prostrate

The farming industry of this country, and, in fact, of the United States on the great central plain between the Great Lakes and the Rockies, is prostrate. It will come back to prosperity, but I doubt if for some years to come, Eastern Canada and the Seaboard States can count upon anything but a lean market in that great fertile territory which has heretofore been the mainstay of Eastern industry, and I therefore cannot see that in ordinary course and in the immediate future we have any hope of stimulating either farming or manufacturing industry in this country, in fact, it may be that operations will be curtailed.

I am no apostle of blue ruin, and I have endeavored to analyze the situation in which we now find ourselves —not to sit down with a doleful countenance and accept the inevitable, but rather to face the facts as they are and then find the remedy. Personally, I believe and I have believed ever since the year 1914, that the remedy for many of our financial ills will be found in the country north of North Bay.

A complete recovery in manufacturing can only be accomplished over a five-year period. The effect of immigration and a return of farming prosperity may reach us in from five to ten years, but it is possible to create mining development practically overnight. In the first place, capital for mining is fluid; it is drawn from every country in the world; New York, London and Paris provide funds for mining in Alaska, China, South Africa, Australia or New Ontario, in as many weeks as it takes years to interest these centres in manufacturing enterprises, and the distance of mining ventures from the financial centres is of no consequence. Technical skill in mining is also drawn from all over the world, and can be secured quickly. The practical mining operators and their staffs in the North Country have come from every section of the globe, and as development proceeds they will come to Northern Ontario in increasing numbers.

When we consider that the working gold mines in Northern Ontario are

(Continued on Page 15)

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The demand for new telephones is insatiable. The Company has on its books unfilled applications for more than 17,000 telephones. The ratio of telephones to population has grown from 1 to every 91 persons in 1900, to 1 to every 10 in 1920. In 1900 there were 40,094 subscribers—in 1921, 400,277.

The prosperity of the Company is derived from the people. Every person in the community should have a right to share in its earnings. Through this community of interest the man with a small income can realize the opportunity of investing in a class of security usually restricted to men of relatively large means. Over 1,890 telephone employees are shareholders in the Bell Telephone Company of Canada and are constantly adding to their holdings.

Bell Telephone sold as high as 176½ in 1912. It is now within seven points of the lowest price since 1891. Its average annual price in that long period has been approximately 149. We believe the tendency of the stock will be to return to that average.

There is no other investment that we know of with the honorable past record and future promise of this Company's stock, to yield 7½% income. You may buy as little as one share, but as the issue is limited we advise your buying as much as you can, while the yield is still 7½%. You can purchase this stock on our partial payment plan.

Price: At Market. At current price on the Montreal Stock Exchange, the stock yields approximately 7½%

Write or call for important booklet to-day

Greenshields & Co.
INVESTMENT SECURITIES
17 St. John St., Montreal
TORONTO - OTTAWA

PERSONALS

J. ALLAN, who has been a member of the staff of the Montreal branch of the Bank of Toronto for the past ten years, with the exception of the five years' period of his military service overseas, has joined the Montreal organization of McLeod, Young, Weir & Co. Previous to entering the service of the Bank of Toronto in Montreal ten years ago, Mr. Allan was for five years engaged in banking in Scotland.

B. J. ROBERTS, who has been appointed to the position of secretary of the Department of Finance at Ottawa, will be remembered by many Toronto readers of THE FINANCIAL POST as a member of THE POST'S editorial staff some years ago. Mr. Roberts took a junior position and adopting a suggestion made to him by his chief entered the University of Toronto. He combined his studies until graduation with work on THE POST and has since continued his activities in the financial world, having entered the department of finance in 1917 as private secretary to Sir Thos. White.

A. E. ARSCOTT, who was recently appointed assistant manager of the Toronto Branch of the Canadian Bank of Commerce, was born in Walkerton, Ontario. In 1906 he entered the bank as a junior at that place and from there was transferred to head office where Mr. Arscott held the position of assistant inspector from 1918 to 1920. In November 1920 he was appointed assistant manager at Ottawa, where he remained until his recent appointment.

JOHN McEACHERN, who recently received the appointment of supervisor of the Western Division of the Bank of Montreal, with headquarters at Winnipeg, was born at Clinburg, Ontario. As a young man he joined the firm of A. G. McKagie & Company, private bankers at Elm. He then became manager of the West Toronto Branch of the Bank of British North America. After the absorption of this bank he was made assistant superintendent and inspector of Western Branches, which position he held up until his present promotion.

HON. JACOB NICHOL, Provincial Treasurer of Quebec, is a decided acquisition as a director of La Banque Nationale in the opinion of the Quebec Telegraph, which says: "The appointment not only gives representation on the Board of the metropolis of the Eastern Townships, where the bank has a large and profitable business connection, but it assures itself of the benefit of Mr. Nicol's wide knowledge of men and affairs in Sherbrooke and elsewhere in the Eastern Townships, and of his eminent ability in financial affairs and his standing generally in the field of finance. In view of the necessarily increased caution displayed in these days in the selection of none but positively safe men for the important post of bank directors, it is a compliment to the class of men who have been at the head of our provincial affairs, that Sir Lomer Gouin, our late Prime Minister for fifteen years should have been elected a director of the Bank of Montreal and that the Hon. Jacob Nicol should have been similarly honored by the Banque Nationale. This is about the most flattering testimony that the highest financial authorities of the country at large could render to the successful business administration of provincial affairs and to the financial skill and ability of those responsible therefor. Both the Banque Nationale and the Hon. Jacob Nicol are entitled to our warmest congratulations.

New Issue, $2.000,000, Capital Stock.
The Bell Telephone Co. of Canada.
8% dividends for 36 consecutive years.

Honorable Financing

THERE is no finer record of honorable financing in Canada than that of the Bell Telephone Company of Canada.

Not a share of bonus or watered stock has ever been issued.

Most of the Company's shares have realized a premium—none sold under par—and every dollar of premiums has been invested in plant and equipment.

Reserves and surplus of over $22,000,000 have been built up, thus relieving present revenues of interest and dividend charges of nearly a million a year.

Dividends at the rate of 8% have been paid for 36 consecutive years.

Price at market to yield about 7.50%.

Telephone or telegraph your orders at our expense. Write for further particulars if desired.

Before you invest, consult us.

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5½% Bonds of Canada's Largest City—at Par

With high grade bonds in such keen demand that even comparatively small municipalities can borrow at costs approximating 5.50% to 5.60%, the 5½% bonds of Canada's largest City, at par and interest, should appeal strongly to careful investors. We are therefore fortunate in being able to offer

City of Montreal 5½% Bonds
Due 1st March, 1932
At Par and Interest, Yielding 5.50%

The security behind these bonds is beyond question; 5½% bonds of leading Canadian cities are scarce, and by purchasing these bonds the investor has the added advantage of collecting each half-year, in actual cash, the full interest return afforded by his investment.

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It will interest you.

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Montreal Light, Heat & Power Co. 4½'s, Jan. 1, 1932
Dominion Power & Transmission Co. 5's, April 1, 1923 to 1932
Hamilton Electric Light & Cataract Power Co. 5's, Oct. 1, 1929
Hamilton Cataract Power, Light & Traction Co. 5's, Apr. 1, 1943

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Flour Milling Shares Are Advancing

If you read the papers you will have seen that the Shares of Milling Companies have recently shown a steady advance.

The reason for this is the fact that the Flour Milling Industry has come through the greatest period of business depression without affecting its earning powers or reducing its dividend rates.

In the case of the Copeland Flour Mills, Limited, the business since the Mill commenced operations has exceeded all expectations. Orders are far ahead of the expected—the quality of the Flour is excellent and they are milling at a cost per barrel considerably under the original estimate.

All of which helps to make for good dividends on the Common Shares now being given away as a bonus to buyers of the 8% Preferred Shares. And, Remember, the Maple Leaf Milling Common Shares which are now worth about $136 each were originally bonus Shares.

Our offering of Copeland Milling 8% Preferred Shares at the present price of $100 with 30% in Common Shares is now largely subscribed. We recommend you to buy soon if you wish to be certain of securing an allotment.

Write immediately for Prospectus.

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NEWS OF THE BOND MARKET

WOULD SOME WORD OF GOVT. LOAN CLEAR THE AIR?

Some Investment Onlookers Would Appreciate Definite Word

Just to what extent the impending Dominion Loan is an overhanging factor in the investment and business situation is a subject upon which there are some very diverse opinions.

Investment officers of several large institutions have felt that their pathway could be made a great deal easier for them to tread if they had a definite idea of what Mr. Fielding intends to do in the way of Dominion financing. The example may be cited of one large insurance company that has committed itself more or less to a policy of investing in mortgages but which has had to divert a large proportion of its funds to short date securities in order to keep a liquid reserve available for support of the domestic loan should one be arranged. The obvious point here is that money that would otherwise go into development of the country is being added to the working capital of the country at a time when there is a surfeit of working capital and a shortage of productive capital.

Bond men feel that if it were definitely stated that there were to be a large domestic loan in the fall, it would enable them to clear the decks. They would discourage all except necessary borrowing by municipalities.

While there are these and other viewpoints that favor a tentative announcement by the Finance Minister of his plans the difficulties with which the minister is faced cannot be overlooked. He had maturing obligations of around $200,000,000 to meet and possibly an additional $100,000,000 to raise. Of the maturing obligations, he can count on possibly $150,000,000 to be diverted to his new issue if it is on an attractive basis which still leaves him with a lot of money to find.

It is felt though, that Canada will not have to contribute all the money required. It seems certain that a loan will be made in New York. British money has also been offered to Mr. Fielding. The rate at which it has been offered is attractive enough but there is always the difficulty of exchange to surmount and it is doubtful if the British can—with their present market—offer money to Canada at a price attractive enough to make the exchange barrier an immaterial factor.

But one thing may be taken as quite as definite as anyone could ask—there will be a domestic loan next fall.

Industrial Bond Offerings Now Dominate Canadian Bond Market

Events have moved rapidly in the past six months of bond financing and a 5 per cent. bond of the Province of Ontario was not altogether a surprise to investors. The province sold $15,000,000 of such bonds in New York this week, running for thirty years and payable in New York and received a price that figures out at practically par in Canadian money. The bonds were later offered to American investors to yield 5.05 per cent.

We have a good, strong bond market in Canada but even a thirty year Ontario bond could not be sold here at 5.05 per cent. The fact of the matter is that in New York Canadian bonds are away stronger than they are in Canada and this in itself insures a continued good market in Canada. It means that large issues will go to New York leaving Canadians to absorb only the smaller issues.

Bond Market in New York

Liberty bonds have been advancing rapidly across the line, the rise being attributed by Treasury Department officials to loosening of money and credit. The American market has been broad as well as strong, industrials, railways, governments, and foreign issues all joining in the advance. The $14,000,000 loan to Czecho-Slovakia was subscribed almost immediately the books were opened, the transactions in the open market adding a full half point to their offering price. The record of Canadian General Electric issue two weeks ago, it will be recalled, was similar.

An Industrial Bond Market

In Canada an industrial bond market is in full swing. There are too many large industrial corporations with heavy bank loans that they want to get down and further issues of industrial bonds may be expected. Investors are taking kindly to the many new issues. The lowering of yields on Governments and municipals has made them look in other directions for more substantial returns and the industrial bonds provide the answer.

Some attractive yields are being offered on current industrial offerings and observers are inclined to the view that the industrial issues will soon be on the upgrade. The stronger industrials offer the possibilities of the moment it is felt. There are many railway issues as well that have not discounted the renewed strength of the investments.

Ontario Chief Borrower During the Past Week

Ontario sold $15,000,000 of 5 per cent. 15 year bonds to a syndicate consisting of the Dominion Securities Corporation, the National City Co., Dillon Read and Co., Harris Forbes and Co., and the Guaranty Co., at 97.409. The bonds are payable in New York and the price is in American funds.

Tenders received were:

National City Co., Dillon, Read & Co.; Harris, Forbes & Co.; Guaranty Co. and Dominion Securities Corp.	97.409
A. E. Ames & Co.	96.855
A. Jarvis & Co.; Kissel, Kinnicut & Co.; Estabrook & Co.; W. R. Compton & Co.; Redmond & Co.; Continental & Commercial Savings Bank, First National Co.; Coffin & Burr; Blyth, Witter & Co.; Stacey & Braun; and First Trust & Deposit Co.	96.81
Wood Gundy & Co.; Kuhn, Loeb & Co.; Chase Securities Corp. Kidder, Peabody & Co.; Halgarten & Co.	96.67
R. A. Daly & Co.; Bankers' Trust Co.; Lee, Higginson & Co.; E. H. Rollins & Son, Spencer, Trask & Co.; Clarke, Dodge & Co.; Brown Bros. & Co.; Warner & Co.	96.619
Municipal Bankers' Corp.; Blair & Co.; White, Weld & Co.; Halsey, Stuart & Co. Illinois Trust & Savings Bank	95,631

Drummondville Issue

Drummondville, P. Q., has sold $20,000 of 6 per cent. 30 year bonds to McLeod, Young, Weir and Co., at 102.12 and $46,000 of 6 per cent. 20 year bonds to the same concern at 102.85. Bids for the whole issue were:

McLeod, Young, Weir, & Co.	102.12
For $46,000	102.585
A. E. Ames & Co.	100.32
Versailles, Vidricaire & Boulais	100.
Hanson Bros.	99.13
Municipal Debentures Corp	99.19
Rene T. Leclerc	98.55
Wood, Gundy & Co.	98.03

Windsor R. C. Schools

Nesbitt, Thomson & Co., have purchased $260,000 of bonds of Windsor Roman Catholic Schools. The bonds bear 5½ per cent. interest, are repayable in 30 instalments and were bought at 93.27.

Another Hull Bond Sale

Hull, P.Q., has disposed of $138,000 5½ per cent. 15 and 30 year bonds to H. C. Monk and Co., and Greenshields, Ltd., at 98.72, a cost basis of 5.65 per cent. Tenders were:

Greenshields & Co., and H. C. Monk & Co.	98.72
Rene T. Leclerc	98.26
Mackenzie & Kingman	98.12
R. C. Matthews & Co.	97.84
McLeod, Young, Weir & Co.	97.17
Nesbitt, Thomson & Co.	97.06
Gairdner, Clarke & Co.	96.75
C. H. Burgess & Co.	95.838

R. C. Matthews and Co., have bought $25,000, 6 per cent. 25 and 30 year bonds from the town of Alliston, Ont.

A. E. Ames and Co., have purchased $20,000, 6 per cent. 20 instalment bonds of Campbellford, Ont.

One Bid for Edmonton's

Wood, Gundy and Co., who will shortly offer $2,000,000 of city of Edmonton bonds in the New York market under a refunding scheme were the only bidders for $870,000 of 6 per cent. thirty-six year bonds of that city sold this week. Their price was 100.31.

Township of Stamford bonds, guaranteed by the Province of Ontario, bearing interest at 5½ per cent. and due in 20 instalments, were sold to Dyment, Anderson and Co., at 99.838. Bids were:

Dyment, Anderson & Co.	99.838
Bell, Gouinlock & Co.	99'65
Gairdner, Clarke & Co.	99.63
R. C. Matthews & Co.	99.23
Wm. C. Brent & Co.	99.
Wood, Gundy & Co.	99.89

Fergus Issue Over Par

The Municipal Bankers' Corporation were the purchasers of a block of $25,000 of 6 per cent., 10 instalment bonds of Fergus, Ontario. The price paid was 100.54. Bids were:

Municipal Bankers Corp.	100.54
R. C. Matthews & Co.	100.30
Wood, Gundy & Co.	99.17

Eastern Securities Co. have bought $25,000 of City of Halifax bonds, 5½ per cent., 30 years at 100.34. Bids received alternatively for 20 and 30 year bonds were:

Eastern Securities Co. Ltd.	20 yr.	100.13
	30 yr.	100.34
Royal Securities	30 yr.	100.27
	20 yr.	100.27
N. S. Trust	10 yr.	99.
	20 yr.	99.25
National City Co., Ltd.	20 yr.	99.47
30 yr.	99.72	99.72
W. F. Mahon & Co.	20 yr.	99.40
	30 yr.	100.15
Johnston & Ward	20 yr.	99.77
	30 yr.	100.20
J. C. Mackintosh & Co.	20 yr.	100.09
	30 yr.	100.33

Exchange Still Barrier To British Investment

That old question of when will British capital start coming to Canada again in important amounts is still a problem. Exchange is, of course, still the barrier, but it would not be an insurmountable barrier if money were available in Britain as cheaply as it is in New York. But truth to tell money is not as cheap in London as one might expect it to be at a time when there is a minor boom in high grade securities under way.

H. J. Daly, president of the Home Bank and of the Canadian Debentures Corporation who has been in Britain for some time past told the FINANCIAL POST this week that there is no immediate prospect of getting British capital out to Canada. The rates asked for money in Britain are still too high to stand the addition of a discount on sterling.

Ore receipts at Trail Smelter for the nine-day period ending March 31st, amounted to 13,168 tons, while from January 1, to the end of March the receipts totalled 112,492 tons.

Securities Companies May Buy

Readers who found some value in the article on this page last week telling of the investment methods of the life insurance companies will find the following of interest. It tells what the companies may buy as investments and sets a standard for individual investors. The quotation is from Canadian insurance legislation.

60. (1) Any Canadian life insurance company may invest its funds, or any portion thereof, in the purchase of—

(a) The debentures, bonds, stocks or other securities of or guaranteed by the Government of the Dominion of Canada or of or guaranteed by the Government of any province of Canada; or of or guaranteed by the Government of the United Kingdom, or of any colony or dependency thereof; or of or guaranteed by the Government of any foreign country, or state forming a portion of such foreign country; or elsewhere where the company is carrying on business; or guaranteed by any municipal corporation in Canada; or secured by rates or taxes, levied under the authority of the Government of any province of Canada on property situated in such province and collectable by the municipalities in which such property is situated.

(b) (i) The bonds of any company which bonds are secured by a mortgage or hypothec to trustees or a trust corporation or otherwise, upon real estate or other assets, of such company; or,

(ii) The debentures or other evidences of indebtedness of any company which has paid regular dividends on its preferred or on its common stocks for a term of at least five years immediately preceding the date of investment in such debentures or other evidences of indebtedness; or,

Preferred Stocks.

(iii) The preferred stocks of any company which has paid regular dividends upon such stocks or upon its common stocks for not less than five years preceding the purchase of such preferred stocks, or the stocks of any company which are guaranteed by a company which has paid regular dividends upon its preferred or common stocks for not less than five years preceding the purchase of such guaranteed stocks; provided that the amount of stocks so guaranteed is not in excess of fifty per cent. of the amount of the preferred or common stocks, as the case may be, of the guaranteeing company; or,

Common Stocks

(iv) The common stocks of any company or corporation upon which regular dividends of at least four per cent. per annum have been paid for the seven years next preceding the purchase of such stocks: Provided that not more than thirty per cent. of the common stocks and not more than thirty per cent. of the total issue of the stocks of any company shall be purchased by any such life insurance company, and that no company shall be permitted to invest in its own shares or in the shares of another life insurance company; or,

(c) Ground rents, mortgages or hypothecs on real estate in Canada, or elsewhere where the company is carrying on its business, provided that the amount paid for any such mortgage or hypothec shall in no case exceed sixty per cent. of the value of the real estate covered thereby; or,

(d) Life or endowment policies or contracts issued by the company or by any other life insurance company licensed to transact business in Canada.

(2) Any such life insurance company may lend its funds or any portion thereof on the security of,—

(a) Any of the bonds, debentures, stocks or other securities mentioned in the preceding subsection: Provided, however, that the amount loaned on the security thereof shall not exceed the amount which might be invested therein under the provisions of the next preceding subsection: or

(b) Real estate or leaseholds for a term or terms of years or other estate or interest therein in Canada or elsewhere where the company is carrying on business: Provided, however, that no such loan shall exceed sixty per cent. of the value of the real estate or interest therein which forms the security for such loan, but this proviso shall not be deemed to prohibit a company from accepting as part payment for real estate sold by it, a mortgage or hypothec thereon for more than sixty per cent. of the sale price of such real estate.

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INVESTMENT-SERVICE

Bell Telephone Shares Paying 8% Dividends

We invite orders for participation in this new issue. Bell Telephone Company of Canada Capital Stock ranks in security and earning power with high-grade bonds.

8 per cent dividends have been paid for thirty-six years continuously.

At present market price the stock yields about 7½ per cent.

We have prepared a special circular on this issue.

($100 par value) if you want security with high yield.

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Price 85.21 to Yield 5.40

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MAY ISSUE BONDS

From Our Own Correspondent

MONTREAL.—A special general meeting of the shareholders of the Sherbrooke Railway and Power Co., has been called for April 22 to ratify a proposal for an issue of $1,000,000 18-year 6 per cent. second mortgage bonds of the company.

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SEND FOR A COPY OF OUR BOOKLET—
"INVESTMENT SUGGESTIONS"
This little Brochure is published once each month. It contains a complete summary of the Bond Market and a list of attractive offerings. April issue is now ready. Send for a copy. No obligation.
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There are a Few Copies Left of Our
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We recommend
Tooke Bros., Limited
7% Twenty Year First Mortgage Bonds
A First Mortgage on the assets of a Company established over 50 years ago, these Bonds are a most attractive investment, combining security of principal and interest with a yield of 7¼% for 20 years.
Net earnings for past six years were nearly six times bond interest requirements—while the real estate value of the Company's city property is twice, and total net assets over four times, amount of bond issue.
Price 97½ and Interest Yielding 7¼%
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63 Sparks St. OTTAWA

HALIFAX NEEDS FUNDS

Authority Asked to Raise Half a Million

HALIFAX, N.S.—The city council of Halifax will be in the market soon for a matter of $500,000 or more, if authority to borrow this amount is obtained from the legislature, at its present session. Important water, sewer and pavement constructions have been decided on by the council, partly to help the unemployed situation and partly to provide improvements of which the need has become urgent.

CIVIC AND PROVINCIAL FINANCE

INCOME TAX WAS 21 P. C. OF TOTAL FEDERAL REVENUE

Heavy Increase From the 8 p.c. of 1921, or $40,000,000

By Our Political Correspondent

OTTAWA.—The figures covering the finances of the Dominion for the fiscal year ended March 31, 1922, are disappointing in the sense that they reveal much greater decreases in revenue than in expenditure as compared with the previous year. Thus while the ordinary and war revenue receipts fell $79,846,575 as compared with the year before, the expenditure on ordinary account only declined $32,756,901, leaving a balance of over $47,000,000 on the wrong side. Against this there is a partial offset in the reduction of expenditure on capital account from $48,000,000 to $16,000,000. The revenue for the 1922 fiscal year amounted to $371,000,000 where that of the previous year was $451,000,000. Taking the expenditure on ordinary account from the revenue it is seen that there was a surplus of revenue over expenditure on ordinary account of $46,761,077 as compared with one the year before of $93,850,751. In spite of this the net national debt shows a heavy increase from $2,311,294,000 to $2,384,996,000, a gain of $73,702,000. This is due chiefly to the increase in "non-active" assets, a term that recently has been applied to expenditures for the railways on betterments, equipment, etc., which is not considered as revenue producing.

The features of the earlier months in regard to revenue continued to the end. That is the chief drop in revenue was the result of the decline in customs duties. This was very marked, going from $162,812,000 of the previous year to $102,420,000 for the year just closed. This showed a drop of over $58,000,000. On the other hand, as had been designed at the beginning of the year, War Tax Revenue showed an increase. The reason for this was the gain in income taxation which was accountable for $40,000,000, or just $18,000,000 less than enough to make up for the drop in customs. The business profits tax, on its last lap, fell below that of last year by some $15,000,000, and inland revenue, that is the sales tax mainly, was down nearly $4,000,000.

Decline in Income Tax, $30,000,000?

Looking forward to the new year it is certain that the income tax will show a considerable decline, some officials estimating this is as high as 40 per cent. which would mean about $30,000,000, and bring in considerably less than $50,000,000. The business profits tax will also drop, while customs should towards the latter part of the fiscal year show a tendency to gain once more.

The relation of the revenues for the two years may be represented more clearly, perhaps, on the percentage basis. For the fiscal year 1921 customs duties amounted to 36 per cent., or well over one-third of the total revenue. For the year 1922 this fell to 28 per cent. The business profits tax one year ago was about 8 per cent. of the total; this past year it was only 6 per cent. The income tax, on the other hand, which in 1921 ran only 8½ per cent. of the whole, was 21 per cent. in 1922. In the expenditures the interest on the public debt, which showed an increase of about $1,800,000, represented only 28.6 per cent. of the total receipts in 1921, but 35.3 per cent. in 1922 with the latter decreased, taking more than one-third the total revenue.

Below are given comparative figures covering percentages, revenue and expenditures, etc., for the past two years:

Percentages of Revenue

		1922	1921
Customs	30	28%	36%
Bus. prof. tax	9	6	8
Income tax	16	21	8½
Inland revenue	27	1.9	1.7
Int. on public debt		~~35.3~~	~~28.6~~

Revenues and Expenditures

	1922	1921
Revenues	$371,519,454	$451,366,029
Exp. ord.	324,758,377	357,515,278
Surp on ord, ex	$46,761,077	$93,850,751
Less cap. exp.	16,742,081	48,316,807
Balance	$30,018,996	$45,533,944
Revenue, 1921		$451,366,029
Revenue, 1922		371,519,454
Decrease rev. for 1922		$79,846,575
Expenditure (ord) 1921		357,515,278
Expenditure (ord) 1922		324,758,377
Decrease expend. 1922		$32,756,901
Red'n cap. exp. 1922		31,574,725

Items of Revenue

Ordinary rev.	1922	1921
Customs	$104,420,451	$162,812,951
Excise	36,581,356	36,699,473
Post office	24,368,485	23,998,409
Pub works incl. rys. & canals	1,269,345	38,873,833
War Tax Revenue.		
Inland rev.	72,628,564	76,441,812
Bus. prof. tax.	22,680,383	37,601,511
Income tax	78,392,562	38,814,496
Other war tax rev.	1,789,352	1,806,621
Other rev.	29,388,953	34,316,920
Totals	371,519,454	451,366,029

Items of Expenditure

Ordinary exp.	1922	1921
Int. on pub debt	130,912,905	129,118,279
Agriculture	5,176,504	4,746,670
Pub. works	9,272,061	8,816,176
Post office	23,684,349	20,348,014
Dom. l'ds & p'ks.	3,782,694	3,645,416
Soldiers' l'd set.	2,024,921	1,924,978
Sold. civil re-es.	15,339,039	31,796,931
Other exp.	101,193,177	121,806,075
Totals	$324,758,377	$357,515,278
Capital exp.	16,742,081	48,316,807
Reduction in rev.		$79,846,575
Red. in ord. exp.		32,756,901
Red. in capital exp.		31,574,725
Ordinary exp.	1922	1921

Million and a Half Will Be Spent on Railroads

EDMONTON.—A million and a half dollars will be spent this year by the Alberta Government on railroad work. Three of the lines for which it is responsible will be extended, a total of forty miles of new road having been authorized by the Legislature, at a cost of $1,006,000. These will be as follows: Edmonton, Dunvegan and British Columbia line, fifteen miles' extension west of Grande Prairie; Canada Central line, thirteen miles' extension beyond present end of steel at Berwyn; and Lacombe & Northwestern line, twelve miles' extension into the Blindman valley. In addition $514,456 is to be spent on maintenance and equipment of the Alberta & Great Waterways line, which was extended seven miles last year to the head of navigation on the Athabasca-Mackenzie river route.

Halifax is Changing Sinking Fund Plans

From Our Political Correspondent

HALIFAX.—The city council has adopted a report which recommends the appointment of an independent member to the Board of Sinking fund trustees, in place of the city auditor, and also a change in the method of investing the city's sinking funds. At present practically all the sinking funds are invested in the city's own bonds, and the report recommends that such investment should be reduced to fifty per cent. of the total sinking funds. The council is also considering a suggestion to issue in future serial bonds which would come due by instalments, and do away with necessity of large sinking funds.

FARM LOANS BONDS OVER THE COUNTRY

To Meet Demands for Agricultural Credit in Province of Manitoba

From Our Own Correspondent

WINNIPEG.—The decision of the Manitoba Farm Loans Department to offer a $500,000 issue over the counter is regarded as significant both of the political situation in Manitoba and of the general financing situation as related to farming. Previously all loans were negotiated directly by the provincial government, but this latest issue will according to announcement be sold direct to purchasers, under the supervision of the Farm Loans Board.

The Manitoba Farm Loans Association is experiencing an unprecedented demand for agricultural credit, according to Lachlan MacNeill, Chairman of the Board. Mr. MacNeill states that since starting operations in 1917 loans to farmers have aggregated $7,000,000. Loans made this year total $750,000 and of the further $1,500,000 in applications presently before the Board, $1,000,000 has been approved and passed on to the solicitor of the department for final approval.

Edmonton Has Lower Tax Rate for This Year

EDMONTON.—Though disappointed in its attempt to secure from the Legislature the power to impose an income tax this year, the city will still be able to reduce its tax rate. The rate will be 39.70 mills, instead of 39.90 as in 1921. This has been made possible mainly by the reduction on the city's assessment, which was cut to the extent of $17,000,000.

Power to levy a service tax was given the city, on substantially the same lines as last year. The enforcement of this tax occasioned so much trouble and dissatisfaction last year, however, that there has been strong feeling against renewing it, through if repeated it would make possible a further lowering of the rate to 39 mills. Current taxes will no longer carry discount privileges, and after June 1 unpaid tax bills will have five per cent. penalty added.

National Association of Wool Manufacturers estimates total 1921 wool production of United States at 273,064,000 pounds of which 224,564,000 was sheared and 48,500,000 pulled, equivalent to 126,021,000 scoured.

TENDERS AND BY-LAWS

TENDERS WANTED

April 17, Township of Calvert, R. C. School.—$15,000 6 per cent., 20-year debentures. A. Pelletier, secretary, Board of Trustees of Roman Catholic Separate School, Township of Calvert.

May 18, Prince George, B.C.—$44,000, 6 per cent, 10 and 15 years. D. G. Tate, city clerk and treasurer. (See announcement on page 16.)

April 22, Stettler, Alta.—$15,000, 6½ per cent., 15-instal. waterworks debentures. E. Roberts, sec.-treasurer, (See announcement on page 16.)

BY-LAWS PASSED OR DEFEATED

Streetsville.—$4,200 balance due on roadway, passed on April 10.

DEBENTURE NOTES

Weston.—The council has decided to submit to the ratepayers a by-law authorizing the raising fo $115,000 to be used in connection with the high school.

Wiarton.—The town will apply to the legislative assembly at this session for an act to authorize the issue of debentures for borrowing the sum of $18,000 to pay certain extraordinary expenditures and the present floating debt.

SASKATCHEWAN

The following is a list of authorizations granted by the local government board from March 18, to April 1, 1922:

Schools.—St. Lucia, $4,000; Sydenham $1,500; Orolow $1,650; Clydesdale $2,000; Norquay $600; Hewson $2,000.

Telephone.—Verwood $1,000.

Village.—Cutknife $5,000.

Rural Municipality.—Willow Creek $2,000.

Towns.—Davidson, $2,000.

The following is a list of debentures reported sold from March 18 to April 1, 1922:

Schools.—Belgrave, $1,300, 10 years, 8 per cent, C. C. Cross & Co., Regina; Balliol, $1,500, 10 years, 8 per cent, R. M. Buchanan, Saskatoon; Stobart R. C., $4,000 10 years, 8 per cent., Keith & Trust, Duck Lake; Brookview, $2,700, 10 years, 8 per cent, Geo. Moorhouse, Regina; Stranrear, $4,500, 10 years, 8 per cent, C. C. Cross & Co., Regina; Stanley, $4,000, 10 years, 7¾ per cent., B. M. Hogarth and E. B. Jonah, Regina; Carlsbad, $560, 10 years, 8 per cent., Duck Lake Sinking Fund.

Telephones.—Western Edam, $1,500, 15 years, 8 per cent, C. C. Cross & Co., Regina; Hanedl, $2,100, 15 years 8 per cent., Geo. Moorhouse, Regina; St. Louis, $1,500, 15 years, C. C. Cross & Co., Regina.

Rural Municipality. — Hearts Hill, $1,155, 10 years, 8 per cent, C. C. Cross & Co., Regina.

City of Regina.—$6,000, 5 years, 7 per cent; City of Moose Jaw, $29,812, 5 years, 6½ per cent, Wood, Gundy & Co., Saskatoon.

BOND MOVEMENTS OF THE WEEK

BONDS—	Int. Rate.	Due. Year.	Yield.	Range High	1921. Low.	1921. High.	Range 1922 Low.	Latest Price Week Ending April 11. Ask.	Bid.	High.	Low.
Asbestos	5	1942	6.80	100	73	100	76	—	81	80	—
Bell Telephone	5	1925	6.00	93½	91¼	96½	94	—	93¾	96½	96¼
Canada Bread	6	1941	6.35	90½	82	96	88½	96	94	96	—
Can. Car	6	1939	6.18	98	97½	98⅛	95	98⅛	—	98⅛	—
Can. Converters	6	1926	7.20	87½	87½	95	90	—	91	95	—
Cedar Rapids	5	1953	5.25	97	86	97½	94	96	—	96	95½
Dom. Cotton	6	1922	6.50	99¾	96	99½	99	—	99¼	99½	—
Dom. Iron	5	1929	7.15	83	75	87¼	82½	87½	85½	87	86½
Dom. Textile (B	6	1925	6.68	98	29	97⅝	97	—	97¾	97⅝	—
Montreal, Dec. '22	6	1922	3.60	108	104	104¾	101	102⅜	—	102⅜	—
Do., May '23	6	1923	5.20	108	100	103½	100	101¼	—	101½	—
Do., Sept. '23	6	1923	6.50	100	97¾	102	97½	—	99¼	99¼	99
Penmans	5	1926	6.65	89½	85	93	90	—	93	93	—
Quebec Rly	5	1939	8.10	68	59	71	63½	70	—	71	67
Steel of Can.	6	1940	6.07	98¼	88½	99	97	—	98	99	98¼
Span. River	6	1931	6.95	87	86¼	95	93¼	—	93½	93¼	—
Wabasso	6	1947	6.38	85	82	96	85	95	—	95	—
Wayagamack	6	1951	8.02	78¼	69½	79	71¾	77½	77¼	77½	77¼
Winnipeg Elec.	5	1927	7.00	92	92	90¼	90¼	90¼	—	90¼	—
War Loan (1925)	5	1925	5.55	96.00	92.00	98.50	96.10	98.25	98.00	98.20	97.80
Do., (1931)	5	1931	5.22	96.60	90.05	98.80	96.25	.....	98.00	98.50	97.90
Do., (1937)	5	1937	4.92	102.50	94.50	101.50	99.50	101.00	100.80	101.00	100.10
Victory (1922)	5½	1922	5.55	99.55	96.62	100.00	99.10	100.00	99.95	100.00	99.65
Do., (1923)	5½	1923	5.50	99.50	95.50	100.00	98.75	100.10	99.9[illegible]	100.00	99.65
Do., (1924)	5½	1924	5.57	98.50	94.25	99.85	98.00	99.90	99.75	99.80	99.40
Do., (1927)	5½	1927	5.30	101.00	95.25	102.70	99.75	100.90	.....	101.00	100.70
Do., (1933)	5½	1933	5.16	101.80	95.12	103.50	101.25	102.95	102.90	103.20	102.70
Do., (1934)	5½	1934	5.47	99.43	92.25	100.60	98.80	100.30	100.25	100.40	100.15
Do., (1937)	5½	1937	5.01	104.00	96.50	105.05	103.30	105.30	105.25	105.45	104.90

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place	Sold to	Rate	Term	Amount	Price	Basis
April 11	Hull, P. Q.	H. C. Monk & Co., Greenshields & Co.	5½	15 & 30	$138,000	98.72	5.52
April 10	Campbellford, Ont.	A. E. Ames & Co.	6	20 in.	20,000		
April 4	Vermilion, Alta.	W. Ross Alger			26,000		
April 10	Fergus, Ont.	Municipal Bankers Corp.	6%	10 in.	25,000	100.54	5.87
April 10	Vegreville, Alta.	Northern Investment	7%	20 yr.	12,000		
April 11	Edmonton, Alta.	Wood, Gundy & Co.	6%	36 yr.	870,000	100.31	
April 11	Stamford Tp.	Dyment, Anderson Co.	5½	20 in.	50,000	99.838	5.52
April 10	Windsor R. C. Schools	Nesbitt, Thomson & Co.	5½	30 in.	260,000	93.27	
April 11	Halifax, N. S.	Eastern Securities Corp.	5½	30	25,000	100.34	
April 12	Drummondville, P.Q.	McLeod, Young, Weir & Co.					
		Corporation	6%	20 & 30	66,000	102.12	5.85
April 1	Chas. Fawcett, Ltd.						
		Provincial	7%	20 yrs.	150,000		
April 11	Ontario	Dominion Securities & Syndicate	5%	30 yr.	15,000,000	97.409	*

* Payable New York.

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We take this opportunity of announcing that our recent offering of "Brantford Computing Scales, Ltd." 8%, 20 year General Mortgage Sinking Fund Gold Bonds has been fully subscribed.
Investors seeking safe attractive securities should have their name placed on our mailing list.
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First Mortgage Bonds
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TOTAL BENEFITS
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MUTUAL PROGRESS — MUTUAL PROSPERITY

NINETEEN TWENTY-ONE—the fifty-second year in the history of the Mutual of Canada—will be ever memorable on account of the exceptional success attending the company's operations. The expense ratio decreased: the average interest rate increased, the mortality was amazingly light—three features which combined to give the policyholders surplus earnings unequalled in the experience of the company. The assets increased to $48,211,204. An amount more than sufficient by $5,790,520.70 to guarantee all claims. This surplus has been allotted to various funds, all of which are **Policyholders' Funds.** Nearly 100,000 policyholders and their families share in the $228,000,000 of protection afforded by Mutual Co-operative effort. The company is increasingly popular because it offers its policyholders "The largest amount of sound life insurance for the least possible outlay."

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PAID-UP CAPITAL AND RESERVE........................$1,212,725
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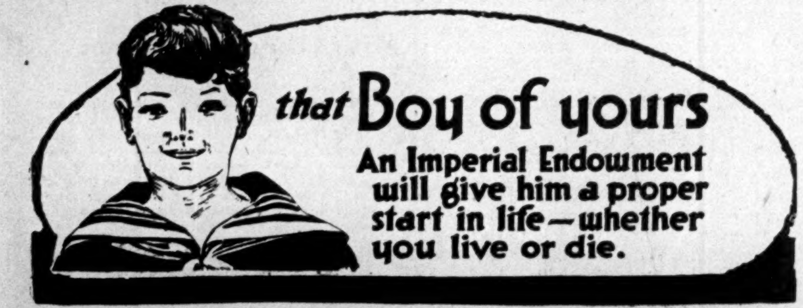
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An Imperial Endowment will give him a proper start in life—whether you live or die.
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INSURANCE AND REAL ESTATE

FULL PROTECTION FOR CANADIANS REQUIRES DEPOSIT

Federal Insurance Department Opposed to New Ontario Legislation

From Our Political Correspondent

OTTAWA.—The history of insurance legislation from the Federal standpoint provides no particular argument in favor of the Reciprocal Insurance Bill which is now before the Ontario Legislature. The understanding here of the proposal emanating from the Toronto House is that the Ontario Legislature shall take the power to license reciprocal insurers organized in U. S., and that license shall be given without requiring any deposit in this country from these associations, the standing of the company being determined on the basis of figures submitted to the government.

Such companies are recognized under the Dominion Act but they are compelled to make a deposit in Canada covering their liabilities to Canadian policyholders. It is generally recognized that such a deposit from a foreign insurance company should be required no matter what the standing of such a company. If there is no such deposit and a dispute arises the Canadian policy holder must go over to the States to enforce his claim. Under Federal practice the assured in such a case would bring action against the accredited agent of the foreign insurance company with power of attorney, and if he secured judgment and this was not satisfied by this agent out of the deposit in Canada within sixty days, the company could be wound up in-so-far as its activities in Canada are concerned. In such an event the deposit would be used for the protection of the policyholders in Canada and arrangements would be made to re-insure with some Canadian companies. It is pointed out that even if a company from another country were in good standing at the time the license was given it might incur heavy losses and finally go to the wall, in which case the Canadian policyholders would have to take their chance with all the policyholders of the company, without any special protection afforded them through a deposit in Canada that would be applied to meet their losses alone in the event of a failure of the company.

Between forty and fifty years ago almost the identical argument that is put up in Ontario today was raised in connection with mutual life insurance companies at Ottawa. These companies were not incorporated, but were an aggregation of individuals and it was argued that being such they could not segregate any portion of their funds for the particular benefit of any one group living in Canada or elsewhere. The difficulty was overcome to some extent by the Federal Department recognizing that any deposit made must apply to all the policyholders equally, but it was insisted that the companies make a deposit in Canada although it was permitted to use this deposit for all the policy holders. Afterwards several of the mutual companies failed and the Canadian policyholders received considerably less than 100 cents on the dollar. As a result of this the Federal Department now makes no distinction and insists on all companies making deposits to cover their liabilities to the assured in Canada.

MILLIONS IN LOOT FOR BLACKMAILERS

Detective Burns Says Extortion of Wealthy is Major Crime in America

More than $3,000,000 a year is being extorted from wealthy New Yorkers by a natioal "blackmail trust," according to W. Sherman Burns of the Burns Detective Agency.

Men of national prominence are being victimized. The "trust" is operating all over the United States and its total annual loot is "simply appalling."

Burns asserts that the amount of money obtained by blackmailers almost equals the annual harvest of all the highwaymen, burglars, pickpockets, train robbers and pistol bandits in America combined.

"Blackmail is the big crime in America today," said Burns. "The facts of these cases are not published; the police hear of scarcely ten per cent. of them.

"A list of only the more recent victims would contain many names of national prominence; its publication would create one of the greatest sensations this country has ever known.

"More blackmailing is going on today than at any time in my knowledge, and it is not safe for a man or woman of wealth to make a chance acquaintance in any of our large cities. The most innocent meetings may be made the basis for demands for great sums of money.

"Almost as much money is being extorted through blackmail as is being lost through thievery. The amount that is daily wrung from the pockets of victims in this country is simply appalling."

CANCEL INSURANCE LICENSE

Chartered Accountants in Charge of Strathcona's Assets

From Our Own Correspondent

MONTREAL.—An order-in-council of the Quebec Government has cancelled temporarily the license of the Strathcona Fire Insurance Co., with headquarters in this city, the president of which, until recently, was A. A. Mondou, ex-M. P. A local firm of chartered accountants, Turcotte & Merrill, has been appointed provisional guardians of the assets of the company. In a letter to the firm, Hon. Jacob Nicol, the provincial treasurer, states that this step was taken under the Insurance Act and asks the accountants to take charge until such time as the license may be re-issued.

JOINT SAVINGS AND INSURANCE POLICY

New Plan Being Worked Out by Huron and Erie and Mutual Life

A plan for joint savings and insurance accounts is being adopted by the Huron and Erie Mortgage Corporation in conjunction with the Mutual Life of Canada. A monthly sum, aggregating about $100 per year, from the savings account will apply on a policy for $1,000. At the end of the period there is available a substantial sum above the amount paid in and during the whole period the depositor has been protected in the amount of $1,000. Of course at the end of the period the policy may be continued as paid up or other alternatives exercised as with the usual life policy.

The plan has been successfully operated in several cities in the United States and is a unique feature of an interesting campaign between banks and loan and trust companies to capture deposits, a campaign in which the government savings offices are now also playing a part.

The idea is said to be acceptable to the public because it offers something more attractive than ordinary interest. From the standpoint of the insurance company it is said to reduce expense both as regards new business and collections. For the loan company it is expected to be an important factor in expanding deposits.

LARGER INSURANCE POWER AS IN ENGLAND

New Legislation for Canada Follows Along Lines of British Concerns

From Our Political Correspondent

OTTAWA.—In connection with the announcement made last week in these columns, this correspondence of enlarged powers about to be conferred on insurance companies in Canada, it should be noted that under the Insurance Act of 1917, no company is permitted to obtain a license for the transaction of life insurance in combination with other classes of insurance. The only exception to this provision is in the case of a number of British companies and one United States company, which enjoyed the privilege of combining life business with other business before the prohibition was imposed. These companies are now transacting life business in combination with fire or casualty business.

British companies, as a rule, are permitted by their charters to combine the various classes of insurance but the British Insurance Act requires the life funds to be kept entirely distinct from other funds of the company. Under this provision the life policyholders cannot suffer by any catastrophe such as a conflagration or epidemic occurring in the fire or casualty branches. The British companies now enjoying this privilege in Canada are, however, debarred from obtaining a license for any additional class of business. Thus a British company licensed for both fire insurance and life insurance is debarred from obtaining a license for even a minor casualty class such as plate glass or tornado. This is so notwithstanding the fact that their life branch may be quite inactive, the business in this branch being limited to running off their old policies. The result of this restriction has been the absorption by British companies of Canadian fire and casualty companies for the purpose of obtaining the necessary accommodation for the public.

Canadian life insurance companies have also to some extent suffered from the fact that a non-Canadian life company is permitted to combine life and accident business.

The British system of segregation of life funds is believed to be entirely safe and practicable, and while it is improbable that many Canadian companies will desire to undertake casualty business generally, there is believed to be no objection to removing a restriction which is somewhat artificial and, in particular cases, oppressive, so long as the fundamental principle of protection of life policyholders against excessive losses in other branches is clearly recognized.

MANITOBA WANTS MODEL INSURANCE LAWS INTRODUCED

Uniformity of Insurance Laws Necessary Between Provinces

By CHARLES HEATH,
Superintendent of Insurance, Manitoba

I have always been an ardent supporter of Provincial uniformity in insurance laws and had been hoping that a uniform act adopted by the Province of Ontario and the Western Provinces at least, would be an accomplished fact at any early date, but this of necessity, seems to be a very slow process.

We have, however, succeeded in making considerable progress towards that end with regard to certain features; statutory conditions for health and accident and automobile policies are practically agreed on after much discussion; the Model Fire Insurance Act will, I hope, be agreed upon before the end of the year, and a Model Life Insurance Act is now under consideration, and unless unforeseen difficulties arise it should be in shape for adoption within the next few months. When these urgent matters are disposed of, our attention will no doubt be turned to unification, as far as circumstances will allow, of our general insurance acts.

Owing to the financial and other conditions, the Western Provinces have not large enough staffs in their insurance departments, to enable them to take care of the current work, and also to devote as much time as they would like to this important question. The insurance department of the Province of Ontario, being older and larger, is in a more favorable position and we are pleased to note that they are doing excellent work along these lines which will no doubt be of great assistance to the other provinces.

The new rather complex conditions which have prevailed in the Manitoba Legislature during the last two sessions have not been conducive to the successful introduction of new legislation, consequently there has been practically no new insurance legislation introduced in the Manitoba House recently, other than the most urgent kind. In spite of the rather adverse conditions, I am pleased to be able to say that, owing to the active co-operation of all insurance interests with this department, insurance conditions are, generally speaking, in a very satisfactory position in this Province.

CREATE INTEREST IN "SAFETY FIRST" AMONG EMPLOYEES

(Continued from Page 2)

the construction dept. and in the larger exchanges sufficient banners are provided to cover a group of employees.

The banners are designed showing each month of the year and for each month which they get through without having a lost time accident they are furnished from the division office a gold star which they attach to the banner opposite the proper month.

Results Achieved

This idea has created a wonderful amount of interest throughout the entire System—each area or group are trying to win the full twelve stars for the year. This keeps the accident prevention idea constantly before them.

The following showing the reduction in accidents will be of interest:

July	16
August	12
September	14
October	16
November	10
December	5
January	1
February	4

To our mind the education starts with the employers and it is not only necessary for them to show their interest but also to provide proper and safe tools, to remove every known hazard if possible and if this cannot be done proper signs should be displayed and changed frequently.

The next important matter is to meet the staff, interest them in the problem, remember they are human, appeal to them and show them it is for their good. Ask them for suggestions as to safety methods in their work, and also for them to report any hazards or unsafe conditions. It will be surprising the number of good suggestions received. Do not forget that none of use have a monopoly on brains.

Keep the staff posted as to accidents which happen in which they are interested. Try and devise some scheme such as has been outlined or perhaps you can think of a better one which will create some kind of friendly rivalry or something to win.

Have each accident investigated by a committee of the men interested and the findings of the committee published with suggestions as to the prevention of similar accidents.

If pay envelopes are used a short motto or slogan can be enclosed, printed or stamped on the outside.

The Western Empire
Life Assurance Company
Head Office: 701 Somerset Bldg., Winnipeg, Man
Men of proven ability would do well to write for particulars of the Agency Contract the Company is prepared to offer. Several District Managers required to cover exclusive good territory at a number of Western points.
Branch Offices:
Saskatoon Calgary Vancouver
WILLIAM SMITH
Managing Director

Western Assurance Company
Fire, Marine, Automobile, Hail, Explosion, Riots, Civil Commotions and Strikes Insurance
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.
Assets over - - - $7,900,000.00
Losses paid since Organization - - $81,300,000,000
BOARD OF DIRECTORS: W. B. Meikle, President, Wilfrid M. Cox, Vice-President, Sir John Aird, Robert Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper, (London, Eng.) H. C. Cox, John H. Fulton (New York), D. B. Hanna, Miller Lash, Geo. A. Morrow, Major-Gen'l Sir Henry Pellatt, C.V.O., E. R. Wood.

British America Assurance Co.
Fire, Marine, Hail and Automobile Insurance
HEAD OFFICE - TORONTO
BOARD OF DIRECTORS: W. B. Meikle, President and General Manager; Wilfrid M. Cox, Vice-President; Sir John Aird, Robt. Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, Miller Lash, Geo. A. Morrow, Major Gen'l Sir Henry Pellatt, C.V.O., E. R. Wood.
Assets over - - - $4,400,000.00
Losses Paid Since Organization, over - $50,000,000.00

WESTERN HOMES
Limited
WINNIPEG, MAN.
Capital Authorized ..$5,000,000
Capital Subscribed... 1,700,000
Mortgage Investments
Available shares afford a safe and profitable investment for savings. For full particulars write the Company's Office, Confederation Life Building, Winnipeg.

THE
CANADA NATIONAL FIRE INSURANCE COMPANY
HEAD OFFICE, WINNIPEG, MAN.
TOTAL ASSETS $2,792,662.00
TORONTO, 24 Adelaide St. W.
W.H. George, Superintendent of Agencies

The Mercantile Agency
R. G. DUN & CO.
Consult us before extending credit or if customers are delinquent.
Canadian Offices:
Halifax, St. John, Quebec, Montreal, Ottawa, Toronto, Hamilton, London, Winnipeg, Regina, Moose Jaw, Saskatoon, Calgary, Edmonton, Lethbridge, Vancouver, Victoria.
Address enquiries to
R. G. DUN & CO.
Dominion Bank Bldg., Toronto, Can.

The LONDON MUTUAL
FIRE INSURANCE COMPANY of CANADA
Established 1859
FIRE INSURANCE
Automobile Insurance
(All Classes)
A. H. Carson, President
F. D. Williams, Vice-President
A Canadian Company
Head Office:
LONDON MUTUAL BUILDING
33 Scott St., Toronto

WANTED

One of our readers is very anxious to secure back numbers of THE FINANCIAL POST to complete his files. Would anyone having any of the following copies please communicate with us as soon as possible:

Vol. 13, No. 29 (July 19, 1919).
Vol. 13, Nos. 38, 39, 41, to end of volume.
Vol. 14, Nos. 1, 3, 4, 5, 9, 10 (January to March, 1920).

We would greatly appreciate receiving any of these copies that are available.

THE FINANCIAL POST,
143 University Ave., Toronto

EUROPE ASIA
MORE WORDS
"Via Marconi"
for
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S. AMERICA AFRICA

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Mark all Messages
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S-1181

THE MUSKOKA LAKES.

Nature has been truly prodigal in her good gifts to Ontario and has blest her with the riches of scenic beauty and natural attractions. One of her favored districts is wonderful Muskoka, which embodies the trinity of famous lakes, Muskoka, Rosseau and Joseph. It is a paradise of lake and stream, of forest and island where "we stand in the heart of things, the woods around us are heaped and dim" and mother earth stands ready to reveal her secrets to those who have eyes to see and ears to hear, to those who have the understanding heart. A new publication just issued telling you all about it, with splendid map and list of hotels, can be had free, from Canadian National-Grand Trunk Agents, or on application to C. E. Horning, D.P.A., Toronto, Ont.

THE KAWARTHA LAKES

The Kawartha Lakes are among the most popular of Ontario's summer playgrounds. The region was long a favored one with the Indians, who gave it its musical name, signifying "Bright Waters and Happy Lands." The Kawartha chain of lakes are six hundred feet above the level of Lake Ontario. The climatic conditions are most agreeable and healthful. Every form of outdoor recreation may be indulged in, sailing, canoeing and motor-boating, bathing and fishing. Bass, maskinonge and salmon trout are caught in the large lakes, while there is good fishing for speckled trout in the smaller lakes in the district. The region is easy of access, being within 125 miles of Toronto on the Grand Trunk Railway System. A publication issued by the Grand Trunk with good map is now available, and may be had free on application to any Grand Trunk Agent, or C. E. Horning, D.P.A., Toronto, Ont.

THIRTY THOUSAND ISLANDS OF THE GEORGIAN BAY.

The Georgian Bay, that great arm of Lake Huron, has become a favorite summer playground with residents of Canada and the United States. In this magnificent bay are more than 30,000 islands—islands crowned with vegetation that seems as fresh and captivating as though it were the morning of creation, islands peeping out of the blue depths of crystal-like water and covered with moss, islands of all shapes and sizes. There are, in fact, 48,000 islands marked on the government charts, and even that figure does not include many very small islands. The principal gateway to the 30,000 Islands region is Midland, Ontario, 101 miles north of Toronto. The Grand Trunk have issued a publication with good map, and telling you all about it. A copy can be had for the asking. Apply to any Grand Trunk Agent, or C. E. Horning, D.P.A., Toronto, Ont.

NOVA SCOTIA STEEL & COAL COMPANY LIMITED

Dividend Notice

A dividend of two per cent. (2%) on the Preferred Stock of the Company has been declared payable on the 15th April, 1922, to shareholders of record at the close of business on April 8, 1922.

By order of the Board of Directors.
S. G. SMITH,
Cashier.
New Glasgow, N.S., April 5, 1922.

TIME PAST FOR HOUSING CREDIT--HON. E. BROWN

Thinks Capital is Now Available From Private Sources

The increasing load of provincial debt as the result of paternalistic ventures is now being recognized in Manitoba. The legislature has decided against further building loans for housing purposes. Hon. Edward Brown, provincial treasurer, expressed the opinion that the province had now emerged from the period in which government assistance of this kind was necessary. The government he said, had been informed and it was well known by business men of the city, there was private capital which would be available for the purpose of housing development during the present year, which, while it would not equal the government housing scheme in terms to the borrower, would take care of the situation. He was not committing the administration, but stating his personal views.

No other province in Canada, said Mr. Brown, had gone as far in furnishing funds for housing purposes as Manitoba had done.

Just Credit—That's All

Municipalities suburban to Winnipeg are protesting strongly against the government's policy. The Suburban Municipal Association is out to get provincial funds for building if possible. The old argument is being used by the president, Reeve S. R. Henderson, that the "province does not stand to lose a cent; the province merely furnished the credit and thereby saved the house-builder at least one per cent. in the cost of the money."

Applications from suburban municipalities this year would have totalled approximately $2,000,000, and prior to the defeat of the government it had been the intention to provide $1,000,000 for this purpose. The municipalities from which applications were pending were East and West Kildonan, Transcona, St. Vital, Fort Garry, St. James and St. Boniface.

The $1,000,000 would have been split fairly evenly between these with the exception of Transcona and St. James. The former would have been given $100,000 and the amount the latter would have received was in grave doubt.

Housing Loans

The following is a statement showing the amounts of money outstanding for housing purposes in the province, as taken from the official records at the parliament buildings on March 23:

Morris	$ 1,200.00
Assiniboia	1,174,215.45
Winnipeg	594,447.89
Selkirk	43,200.00
Transcona	183,955.00
West Kildonan	273,718.23
Charleswood	12,800.00
East Kildonan	332,135.00
Virden	36,276.00
Fort Garry	483,250.00
St. Vital	262,736.99
Russell	16,088.00
Killarney	4,200.00
Wawanesa	3,500.00
The Pas	41,500.00
West St. Paul	35,699.80
Portage la Prairie	3,026.77
Roblin	31,175.00
Carman	3,400.00
Dauphin	15,454.00
St. James	34,055.20
Brandon	4,700.00
Total	$3,590,733.33

AIDING BRITISH EXPORTS

Electric Work of Foreign Samples Exhibition

Enlarged activities during 1921 are reported by the Foreign Samples Exhibition division of the British Department of Overseas Trade, which was organized to assist British manufacturers in expanding their export trade. The division of foreign-made goods and also foreign catalogues to English firms, with the object of keeping them posted concerning character, quality and prices of foreign competitive products. It also makes suggestions for the benefit of British exporters and furnishes information to promote the export trade.

The division's increased activities on behalf of British export trade are indicated by these figures, received by the Bankers Trust Company from its English Information Service:

	1920	1921
Number exhibitions held	17	31
Number British manufacturers attending	5,518	6,038
Foreign samples loaned	1,717	4,940
Foreign catalogues loaned	6,482	7,263
Export inquiries answered	....	1,052

Dominion Coal Company, Limited

NOTICE OF PREFERRED STOCK DIVIDEND NO. 66

A Quarterly Dividend of One and Three-quarters per cent. on the Preferred Stock of the Dominion Coal Company, Limited, has been declared, payable 1st May, 1922, to Shareholders of record on 13th April, 1922.

By order of the Board of Directors.
C. S. CAMERON,
Secretary.
Montreal, April 4th, 1922.

Develop the Northern Mines To Bring Back Prosperity

(Continued from Page 11)

properly valued today at nearly $100,000,000, that they have demonstrated ore reserves of about $75,000,000, that this year they will produce gross over $20,000,000, it is clear we have a sure and solid foundation to build upon.

Whatever may be said of individual ventures, the North Country is as a whole no longer a gamble. Ungava, Northern Quebec, Northern Ontario and Eastern Manitoba are said by Professor Miller and other men of international standing to present in that immense shield surrounding Hudsons Bay, the greatest mineralized area in the world. Having regard to what is known of this area and what has already been accomplished, I am constantly irritated by business men in the City of Toronto looking upon the development of Northern Ontario as a mere doubtful experiment, apparently paying no attention to the fact that of this shield, not one-thousandth part of which has been even casually prospected. The Missaba iron deposits are the greatest hematite iron ore deposits in the globe. The Calumet-Heckla mines have proved to be one of the greatest copper deposits ever discovered; that Cobalt, with its production to date of $250,000,000 of silver, is the greatest individual silver camp ever known; that Sudbury produces 90 per cent of the world's nickel supply, and that the Poorcupine Kirkland-Lake areas are destined and already fair on the way to be the premier gold producing territory of America. It surely should be remembered that this Province has produced in twenty years $800,000,000 of mineral wealth.

Don't Over-regulate

In the first place, we must oppose vexatious restrictions which fussy governments, amateur politicians and red tape departments from time to time propose to place upon mining. One of the most hopeful signs in this regard is the recent change in the regulations whereby a prospector is not required to prove a valuable discovery. Prospectors in any event have a hard time of it, and only a small percentage of them are ever really successful. They do the work, take the risk, and endure the hardship, and their path should be made as easy as possible.

We are, however, faced with an agitation for a so-called "blue-sky law," which will not work and if enacted will retard the development ~~which we must have. Wild-catting~~—dishonestly if you like, is incident to any large development. It is not peculiar to mining.

"Blue-Sky" Not Effective

We might as well face the fact that where there is extraordinary development and large profits there must necessarily be an aftermath of trouble for those who have been unwise. My observation has been that a blue-sky law, in fact government restriction of almost any kind in business, is never really effective. At the last revision of the Bank Act it was provided that banks' books and statements should be audited by an independent firm of auditors, and now we have the Merchants Bank. There are only two effective curbs, which work fairly well in Great Britain and which are the teaching of centuries of loss and hardship: first, the public must be taught that honesty, proven ability, character and conservatism on the part of the directors and of those associated with any enterprise, are the only guarantee of a fair deal. I am afraid that the public will largely learn this lesson through having their fingers burned, and certainly they will never be protected by governmental regulations which do not, because they cannot, protect, but do give an illusion of safety; and, secondly, there is the unsparing use of the Criminal Code by an energetic Attorney General's Department.

Would Waive Taxes

I believe it would be one of the world's greatest modern advertisements, if the Dominion and Provincial Governments would announce and publish broadcast that there would be no taxation of any kind on mining enterprises in Canada and the Province of Ontario, for a period of ten years. Such an announcement would of course be met by all taxpayers with the criticism, "Why should any industry escape taxation?" and the answer is that no industry should escape taxation unless it is a matter of vital public interest that that industry should be stimulated because of its effect upon all other business, and thus lightening the general burden of taxation. In my opinion, an announcement of this kind would attract a rush of fluid capital, technical skill and labor from all over the world, the mining industry would make strides in twelve months, which it would not otherwise make in three years, and thereby the whole country would be brought back to a prosperous condition. The amount to be given up in taxes which would otherwise be collectable I would charge off to advertising account, and I believe the country as a whole would at the end of three years be emphatically of the opinion that the result was worth the advertisement.

At the present time the mines of Porcupine, Kirkland Lake and Cobalt are said to support a population directly and indirectly of some twenty-five thousand people. With energy and with the enthusiasm of the whole population behind that development, I see no reason why the product of the mines, the dependent population on the industry and their demand for manufactures and farming products, should not be quintupled within a few years, and I repeat that in this mining industry north of North Bay, I see the only opportunity we have of creating a new situation throughout the whole province. And a new situation we must have or face financial difficulties and a period of distress.

Must Have Power

Feeling as I do about North Country development and its vital necessity to this city, I have been not a little disappointed during the past year in reading of the power shortage in the North Country. There should be and there must be no power difficulties and the Provincial Government must see to it that there is always a surplus of power ready and available for development. The situation is now eased by the production of a block of seven thousand horsepower, which will be available in December, but this will be exhausted in the comparatively near future and it is clearly up to the government to see that plans for production are always well ahead of the actual necessity. It will be nothing short of a crime if at any time mines in the North Country cannot be operated because there is insufficient power.

On the subject of Northern Ontario, the Board of Trade of the City of Toronto and other public bodies have the clear duty before them of creating a different attitude of mind among many of the business men of this city towards the mining industry. Without in anyway disparaging those who have thus far controlled the financing of mining enterprises since the year 1914, it is a lamentable fact that many of the old and pioneer leaders in finance in the City of Toronto have taken comparatively little interest in that extraordinary development in Porcupine and Kirkland Lake, which has been accomplished even in the face of constantly increasing costs of production. Our financial leaders have been interested largely in the sale of bonds and I should think that the bond market, as far as new issues are concerned, will be rather contracted for some years to come. Our financial leaders have been interested in sugar factories in other provinces, in iron and steel industries down by the sea, in the securities of Latin-American public utilities; in fact, with the exception of pulp and paper, in almost everything except in the development of the untold wealth which lies almost at our doors, and in the development of which the industries of this province may find their immediate salvation. I believe we will shortly witness a great change in this unnatural and illogical viewpoint.

Attitude of Finances

I had a fair sample the other day of the attitude of certain financial men in this city towards mining enterprises, when at lunch a friend of mine in the bond business asked me the name of a gentleman at the next table. I told him the stranger was a mining man from the North Country, and I was about to describe some of his activities when my bond selling friend dismissed the subject with a sniff and the remark, "Oh! he's mixed up in the mining game." As I knew that the stranger had been engaged in mining for ten years, that he had through almost incredible difficulties developed two or three properties to production, and that he was worth over one million dollars, it seemed hardly worth while fighting the prejudice of my bond selling friend, who over the like ten year period and in a safe business directed from a swivel office chair had possibly accumulated a small fortune of a hundred thousand dollars. That sniffing spirit must be eradicated from the City of Toronto.

My advice to business men is to go up north and to go back again and again, to push his own lines of business, to know what is being accomplished in the various camps, to meet the mining men and engineers of international standing who are busy there and to take advantage of every opportunity which presents itself. If he keeps in close touch with the country and the men in it he will undoubtedly be able to invest in mining ventures which on the average will richly repay him. He will be stung if he sits in his Toronto office and allows some glib mining broker to sell him pieces of paper, and the chances are he will make money if he knows the men and the properties, but aside from direct investment in mining, he will do his part if he builds up his business connection with the North Country, if he comes to know the men engaged in mining, and if he gives them his sympathy and accords them his support.

Sterling Coal Company Limited

Notice to Bondholders

By a resolution passed by the Bondholders of the Company at a Meeting held on 19th February, 1915, it was resolved to cancel the liability of the Company to pay the interest on the bonds maturing 1st January and 1st July, 1915, and 1st January and 1st July, 1916, until such time as the Directors of the Company should elect to pay the same, with a proviso that the Directors should not declare any dividend upon the capital stock before such interest on such bonds should have been paid in full together with interest upon such interest at 6 per cent. per annum compounded yearly.

Coupons Nos. 10 and 11 having been paid on or after July 2nd, 1920, and January 2nd, 1921, respectively,

NOTICE IS HEREBY GIVEN that Coupons Nos. 12 and 13, bearing dates of January 1st and July 1st, 1916, will, on presentation and surrender to the Company, be paid **AT THE COMPANY'S OFFICES, 95 BAY STREET, TORONTO,** on and after July 3rd, 1922, with compound interest thereon from January 1st and July 1st, 1916, to July 1st, 1922, and also New York exchange at 3 per cent. on the face value of the Coupon.

By order of the Board of Directors.

H. G. RATCLIFFE,
Secretary.

Toronto, Ont., March 24th, 1922.

NOTE.—The following amounts will be paid:—

Coupon No. 12	Series A	B
Face Value	$30.00	$3.00
Compound interest	13.80	1.38
Exchange	.90	.09
	$44.70	$4.47

Coupon No. 13.	Series A	B
Face value	$30.00	$3.00
Compound interest	12.50	1.25
Exchange	.90	.09
	$43.40	$4.34

SAVE SPACE! In the Office—In the Shop—Everywhere

Instal the equipment that will give you more space, and take the place of untidy store-rooms and cloak-rooms that never were efficient for the use you have been putting them to. Dennisteel Cabinets are for the storing of stationery, supplies, books, etc. They are a handsome piece of office furniture, dust-proof, vermin-proof, and keep private papers, books, etc., safe from meddlers and fire. Interior shelving and pigeon-holing can be arranged to suit individual needs.

Write for folders

Dennis Wire & Iron Works Co., Limited

London, Canada

Halifax, Montreal, Ottawa
Toronto, Hamilton, Windsor
Winnipeg, Calgary, Vancouver

Factory Building

Will be erected to suit purchaser on King Street West lot, near Bathurst Street, in Toronto. Light on four sides and ten foot lane in rear.

King Street is one of the great thoroughfares of Toronto and location in this street carries with it considerable advertising value.

$15,000 Cash

Will finance an attractive four storey building on lot 80 x 95 feet, containing 25,000 square feet of floor space.

This will give you a building built to suit your business at a rental cost of about 30 cents a square foot for interest on investment, taxes, insurance, etc.

If you have $15,000 and would like to have building erected for you, address

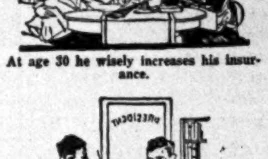
Box 21, Financial Post, Toronto

Your Estate

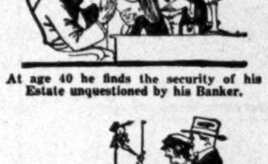
The Life Story of a Successful Man

At age 21 "'twas all the Estate he had."

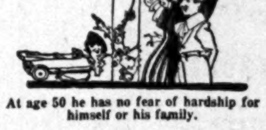
At age 30 he wisely increases his insurance.



At age 40 he finds the security of his Estate unquestioned by his Banker.



At age 50 he has no fear of hardship for himself or his family.



At age 60 his "Estate," fully paid for, becomes a substantial fund, earning dividends.

There is but one *certain* way of having an Estate, and that is through life insurance.

Canadian Government figures recently compiled show that out of 107,109 persons who died in one year, 100,031 left estates of less than $10,000. The vast majority left nothing.

This fact, that 93% of persons at death leave practically nothing, makes clear the necessity for Life Insurance.

Creating Your Estate

THE CANADA LIFE **will guarantee to provide at your death an Estate which is twenty or thirty times greater than the amount of your annual deposit with the Company. And if you live—**

Every dollar of regular annual deposit will be returned at the end of twenty years, and substantial dividends will be paid at intervals.

Our "Capital Return" Policy

1st. Deposits are made yearly. This is what you are *saving*, and at the end of 20 years the Canada Life *guarantees* the return of every dollar paid in.

2nd. Your life is insured from the day you make the first deposit—for $5,000, or whatever amount you decide.

3rd. Dividends are paid at stated intervals in addition to the return of all deposits at the end of 20 years.

4th. These dividends may be used to increase the amount of your insurance, or be allowed to accumulate at interest for 20 years.

5th. The cash value of Policy and Dividends represents a valuable asset, useful in business, and your "estate" is protected by the insurance.

6th. At the end of Twenty Years you can draw out all you have paid in, along with the accrued dividends—

—or—

you can draw a Special Cash Guarantee, together with the Accumulated Dividends, making a substantial sum, and leave the $5,000 Policy fully paid for and continuing to earn Dividends as long as you live—

—or—

this Special Cash Guarantee may be applied to increase a $5,000 policy to more than $7,500.

Ask for Particulars

Canada Life Assurance Company
Home Office TORONTO

Canada Life Assurance Company
Dear Sirs—Without obligation on my part, you may send me particulars of your new Twenty-Year Capital Return Policy.
Name .... Address .... Born .... day of ....

12

GRAND TRUNK END ADDED HEAVILY TO $72,346,234 LOSS

Gain of $20,000,000 on Operation Nearly Wiped Out by Fixed Charges

ONE CENTRAL BOARD

With Local Interests Satisfied —Minister of Railways Gives Comprehensive Survey

From Our Political Correspondent

OTTAWA.—The statement of Hon. W. C. Kennedy, Minister of Railways, in the House this week falls naturally into two parts. The one gives the sobering facts of huge losses on the National Railway System for 1921, and the other contains suggestions for future management. The figures of deficits are worse than had been expected. There was an improvement of $20.000,000 in a decrease in operating deficits but when increases in fixed charges for the year over 1920 came to be considered the net improvement was only $1,686,070. In other words, the deficit on all the lines including the Grand Trunk for 1921 was $72,346,234 as against a total deficit of $74,032,302 in 1920.

Taking the roads in detail it is seen that on the Canadian National lines, including C. N. R. and G. T. P., there was not only a deficit in operation of over $15,000,000 but fixed charges of $40,777,915 making a total loss of $56,673,935. One year ago the fixed charges had been $33,194,243 with a deficit in operation of over $34,000,000 making a total loss in 1920 of $67.505,059. On the Grand Trunk Pacific fixed charges of nearly $10,000,000 brought the total loss to $14,283,568. On the Canadian Government Railways the total loss was $6,010,755, there being no charge against interest or dividends.

In the case of the Grand Trunk Railway there was an operating profit in 1921 of $3,573,284 but fixed charges of $19.245,583 leaving a net loss of $15,672,299. The fixed charges were over $5,000,000 higher than in 1920 when the net loss including fixed charges amounted to $6,527,243 so that the situation was over $9,000,000 worse than in 1920 so far as the Grand Trunk was concerned.

Taking the National Railways System apart from the Grand Trunk the total deficit was $56,673,935 as compared with $67,505,059, an improvement on these lines of nearly $10,000,000. Taking the average of revenue and expenditure on operation alone it is seen that $1.12 was required to be expended for every dollar of revenue where in the case of the C. P. R. the expenditure was about 80 cents for $1.00 of revenue. The Minister figured out that the total amount to be voted for railways for the new fiscal year ending March 31, 1923, would be $97,220,000 as compared with $179,065,760.

Part of the saving comes from a reduction in the amount set aside for betterments by over $30,000,000. Below are given summaries of the financial showings of the groups in 1921 and 1920.

The policy outlined by the Minister for the future operation of the various systems contemplates one Board of Directors to control both the Canadian National and Grand Trunk systems for the purpose of co-ordination with the abolition of the present two Boards now in charge, the one with D. B. Hanna and the other Sir Joseph Flavelle at the head. The new Board will consider the division of the whole system into units each with its own headquarters and general manager who will have fairly wide powers but will be subject in general lines of policy to headquarters. This single Board follows out the policy outlined by the late government. Chief interest centres probably in the working out of the various units. This in its operation may or may not open the way for a lack of unified control and the return of the Intercolonial, for instance to the position of a local system more or less controlled by politics. The demand for this came strongly this session from the Maritime representatives.

The government in the unit system would appear to have met the difficulty that has existed between Montreal and Toronto claims for headquarters of the unified system as both may figure as unit divisions. The impression here, however, is that Montreal will be chosen as the headquarters of the Board.

Whatever criticism may be directed at the new policy the statement of Mr. Kennedy is generally regarded as the most comprehensive and intelligent survey that has yet appeared of the financial side of our railway problem.

How Losses Were Figured

	1921	1922
Deficits C. N. R. .	$15,896,020	$34,310,816
Fixed charges . .	40,777,915	33,194,243
Total losses . .	$56,673,935	$67,505,059
Add loss G. T. R.	15,672,299	6,527,243
Total loss .. .. (All Govt. sys.)	$72,346,234	$74,032,302

Grand Trunk

	1921	1920
Net Income . . .$	3,573,284	$ 7,898,394
Fixed charges . .	19,245,583	14,025,637
Net loss .. .. ..$	15,672,299	$ 6,527,243

Note—The increase in fixed charges is partly due to the fact that payments in 1920 started only in May, and partly to the loss of United States guarantees on lines in that country when Government control was abandoned.

Canadian Northern

	1921
Deficit on oper. .. ..$	5,539,694
Fixed charges	30,819,916
Total loss .. ..$	36,379,610

Canadian Government

Deficit on oper.	6,013,255

Note—No allowance for fixed charges.

Grand Trunk Pacific

Deficit on oper. .. ..$	4,325,568
Fixed charges	9,958,000
Total loss .. ..$	14,283,568

TENDERS WANTED

TOWN OF STETTLER
ALBERTA

Sealed tenders will be received by the undersigned up to April 22nd, 1922, for $15,000.00 Waterworks Debentures. Interest 6½%, repayable in 15 equal annual instalments of principal and interest. Debentures dated September 1st, 1921. The highest or any tender not necessarily accepted.

E. ROBERTS,
Secretary-Treasurer.

City of Prince George, B.C.

Tenders for Bonds

Tenders are invited for the purchase of the following bonds:

Streets Improvements, $20,000.00, 10 years; Waterworks, $14,000.00, 15 years; dated 3rd January, 1922. Denominations $500.00. School Construction, $10,000.00, 15 years, dated 1st June, 1921. Denomination $500.00. Coupons attached. Interest 6% payable half-yearly at Royal Bank, Prince George, B.C., Vancouver, B.C., Toronto, Ont., New York and San Francisco, U.S.A.

Sealed tenders will be received up to 5 p.m., 18th May, at the City Hall, Prince George, B.C., and will be opened at regular meeting held that date.

This Council shall not be obliged to accept any tender.

D. G. TATE,
City Clerk and Treasurer.

DIVIDENDS

The Canadian Converters' Company, Limited.

Dividend Notice

Notice is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the Capital Stock of this Company for the quarter ending 29th April, 1922, payable 15th May, 1922, to shareholders of record at the close of business, 29th April, 1922.

By order of the Board.

THOS. M. BARRINGTON,
Secretary-Treasurer.

Montreal, 11th April, 1922.

Bonds & Debentures.

Established 1888

Send for our Latest List

Trustee Investments

Government and Municipal Bonds

Canadian National Ry. Securities

TO YIELD

5.35% to 6.75%

Stimson's Partial Payment Plan for Systematic Saving

G.A.STIMSON & CO.
LIMITED
INVESTMENT BANKERS
36 38 KING ST. E. TORONTO.

MINNESOTA GOVERNOR FOR ST. LAWRENCE

Says That It Would Bring the Atlantic Ocean to Ontario

From Our Own Correspondent

WINNIPEG.—Impelled to come here, as he admits because of the opportunity to preach his economic doctrines of "bringing the Atlantic ocean to Ontario, Minnesota and Manitoba," Governor Preus of Minnesota has just concluded his first visit to Winnipeg. Strongly supporting advocacy of a St. Lawrence ship canal, the Minnesota executive declared that a 30-foot deep waterway would permit every vessel in the world but nine to reach Duluth at the head of Lake Superior. This would immeasurably benefit all Canadian ports en route.

"The greatest common enterprise which the people of Canada and the United States have yet undertaken is the Great Lakes waterway program. This means moving the Atlantic seaboard to Duluth and Fort William. It would add 5,000 miles more shore line to the Atlantic, all by means of a 30-foot canal through which all the ships afloat today, except nine, could pass. It would mean a saving of nine to ten cents a bushel on the transportation charges to the Minnesota farmer who ships his wheat to Liverpool, and a saving of from five to six cents a bushel to the Manitoba farmer who ships his grain to Great Britain. In the eight months of the year during which the Great Lakes are open to traffic, ten times as much tonnage passes through the lakes as through the Panama canal.

"The cost as estimated by the engineers of Canada and the United States, is $270,000,000, and while the people of New York who are taking toll on everything passing through that port, are opposing the scheme, it is our hope that parliament and congress will approve the plan."

CO-OPERATIVE SUCCESS IN OKANAGAN FRUIT

From Our Own Correspondent

VICTORIA.—Sales of fruit and vegetables amounting to $2,209,903.45 were made by the Okanagan United Growers, a co-operative selling agency of growers' associations operating in the Okanagan Valley in 1921, according to the statement presented at a recent shareholders' meeting

This is an increase of approximately $150,000 over the previous year. In addition 610 cars of apples shipped and in storage at December 31, on which returns had not been received, are to be added to the above sales total. A profit of $27,300 was made on the year's business. This was made from the assessments upon each box of fruit handled for the different locals.

The total number of packages shipped during the year totalled 1,320,673, as against 808,193 in 1920. Car shipments amounted to 2376, compared with 1095 cars the previous year. Of the 1287 cars of winter apples marketed by the organization, 115 were placed in Eastern Canada, 529 in the United States and 319 were exported to Great Britain.

Vancouver Island berry growers have arranged for the establishment of special pre-cooling facilities at Victoria so that their entire pack may be marketed this year. Last year several carloads of strawberries were rejected in the prairies due to spoilage.

CANADIAN CLAIMS AGAINST GERMAN PROPERTY SEIZED

(Continued from page 1.)

about $3,000,000 will settle the second.

In addition to these there are claims that are not being considered direct by the Canadian authorities, but are submitted to the Reparation Commission, claims for "illegal warfare," such as submarines. The total amount of these to-date is $23,500,000, but it is the opinion that these have been very much exaggerated and will finally be reduced to much less than half. As a matter of fact the British authorities have set down a total sum of £5,000,000 to cover all the claims of their people, and the money is being used not so much to settle claims as to relieve distress.

The original proposal for dealing with all these sets of claims and counter-claims was for the Canadian Government to dispose of all securities that are coming over from Germany and also all property, enemy-owned, in Canada that was seized during the war, and apply the proceeds to pay off the claims of Canadians against Germans, that is individual claims rather than national, and then if there were any proceeds remaining, to apply this to the general claim for reparations. It was arranged that Germany should receive credit from Canada—not cash—for all claims of Germans against Canadians that were allowed, and also the owners of property seized in Can-German Government which would be credited by Canada for all amounts it paid out to either class of its own citizens. As it turns out, however, Germany appeared to be unable to recompense its own citizens, not having money enough even to meet the reparations payments.

The suggestions that are being considered to meet these difficulties will be dealt with in next week's issue.

N. S. COAL PRODUCTION

From Our Own Correspondent

HALIFAX.—The Nova Scotia coal production last year was 5,373,230 long tons, compared with 5,687,970 in 1920, according to the annual report of the provincial department of mines which was tabled in the legislature the other day. The government received in coal royalties the sum of $556,385. The governments' total revenues from mine rentals and mineral royalties were $635,577, compared with $690,517 for the previous year.

The importation of iron ore was 311,952 long tons in 1921, compared with 599,099 in 1920.

BIG IMPROVEMENT IN NEWSPRINT SALES

Newspaper Circulation and Consumption Shows Good Increase

From Our Own Correspondent

MONTREAL.—The improvement in the demand for newsprint from Canadian mills continues unabated, and the outlook generally before the industry shows a change that is little short of remarkable. For some reason or other orders that heretofore regularly went to the United States mills, or had been shifted to European supplies have been placed with Canadian mills whose production is now running far ahead of last year. An interesting explanation comes from the "Paper Trade Journal" of New York which comments thus:

"The remarkable push back of the newsprint activity is occasioned in large measure by the large metropolitan dailies whose editions are larger than ever before. In February 1921, the average issue of 62 of the metropolitan dailies in 1 cities contained 21 pages and increased to 23 pages in 1922. The average Sunday edition contained 77 pages in February 1921 and 85 in February 1922, showing an appreciable increase." The paper adds that publishers are eating rapidly into their stocks and these may run as low as in 1920 when a demand for paper sprang up that overtaxed the capacity of the mills on this continent.

Circulation returns for New York city dailies for the six months ending March 31, 1922, showed a total of 3,659,048 copies each day, an increase of 91,000 over the corresponding period of 1921, with larger sized papers in addition. A report of the circulation of Canadian dailies shows a total of 1,774,519 copies which is an increase of 15,000 over one year ago.

BRITISH AMERICA ASSURANCE COMPANY OF TORONTO

Established A.D. 1833

LOSSES PAID SINCE ORGANIZATION

The Company was incorporated in Toronto eighty-nine years ago in the reign of King William IV and since its organization it has paid to the Public in losses more than Fifty-two Million Dollars.

WORLD-WIDE BUSINESS

It transacts business in Canada, Newfoundland, the United States, British West Indies, Great Britain, Egypt, India, and other British possessions in the far East.

ASSETS

The Assets of the Company amount to $3,628,639.26.

INCOME

The Premiums for 1921 in the Fire, Automobile, etc., Departments, less Reinsurances, amounted to $2,723,955.26, as compared with $3,302,527.97 for the previous year.

Marine Premiums, less Reinsurances, amounted to $144,957.25 as compared with $579,631.86 for the previous year.

The income from Interest and Rents amounted to $137,333.19.

The decrease in the Fire Premiums is due to depressed business conditions and to the fall in values and is similar to that experienced by Fire Insurance companies generally.

The great reductions in Marine Premiums is due to the fact that the company has withdrawn from many classes of Marine business. The losses on the old business continued to come in during the early part of the year, but the business to which the Company confined itself in 1921 has proved very satisfactory.

SECURITY

After providing a Reserve for Unearned Premiums based on the Canadian Government Standard, there is a SURPLUS TO POLICYHOLDERS of $591,539.39 Calculating this Reserve in accordance with the long-established practise of the Company the SURPLUS TO POLICYHOLDERS is $1,041,167.86.

CLASSES WRITTEN

The Company writes the following classes of business:
Fire, Rents, Use and Occupancy, Inland Marine, Inland Transportation, Ocean Marine, Automobile, Riots, Strikes, Civil Commotions and Explosion.

Head Offices: British America Buildings
Corner Front and Scott Streets, Toronto

Creating Good Times

HAVE you a product upon the quality of which you are willing to stake your reputation and with the sales of which you are not satisfied? Are you interested in knowing of a way in which you can greatly increase those sales a year from now?

It has been said that an ounce of practice is worth a ton of theory. Read then below the results that have actually been accomplished by one firm, who since January of last year have succeeded in increasing the demand for their product to such an extent that they are now planning to run their factories night and day to keep up with their orders.

This is no mythical or exaggerated story. It is not based on theory. It is a record of actual facts which you can verify for yourself if you wish.

Last year held out no special anticipation of big business for the Palmolive Company other than that engendered by pride in their products and by their own absolute confidence in the methods they were adopting for increasing sales. These methods included the outlay of some two million dollars in advertising. This was at a time when many firms were reducing their advertising appropriations under the influence of a fear of business slackening. Such confidence have they in their policy that this year they have added another million dollars to the amount expended in 1921.

The actual figures for the first two months of the year are not yet available but the increase in business has been so great that in many of their lines orders are at present running ahead of production and they are adding new equipment to cope with the necessity of increasing their output. The factories are today working full nine hours a day and they are planning to start them running on a 24-hour day basis by the middle of April.

Mr. Rettinger, the manager, was asked to what he attributed the increase at a time when most businesses were experiencing a depression. He gave the three reasons following in the order named:

(i) Publicity,
(ii) Quality of products,
(iii) Intensive work on the trade.

Having confidence in the quality of their products they had had the courage to advertise freely in order to make them known and had followed up this work by a campaign to gain the retail merchant's confidence and convince him of the advantages to be secured by stocking their well-advertised lines.

The successful results above mentioned were achieved in a poor year when depression of trade was general. In a year which is now beginning to hold out prospects of a revival in business, is there any reason why you should not do in your own line what was done in this instance? Do not these results call upon you to follow a similar plan and to make your own product better known, with the practically certain result of largely increased business? Some of the papers enumerated below will undoubtedly be of service to you in a campaign of this nature. They can carry your sales messages throughout the length and breadth of Canada to the very people you wish to reach.

Full details as regards rates, circulation, etc., will be forwarded on application to

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The Financial Post
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